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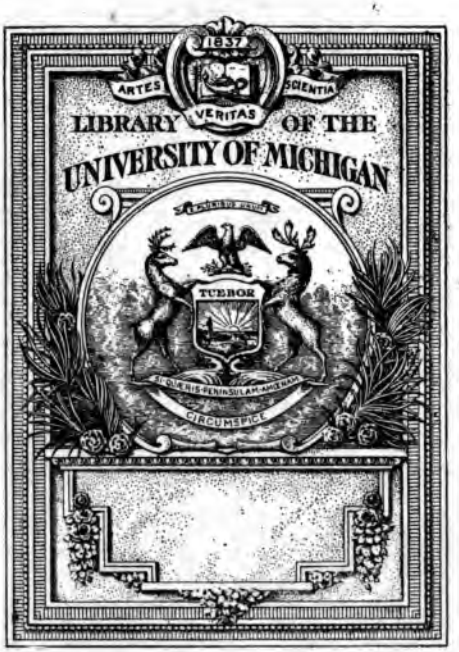
# ELEMENTARY SOCIAL SCIENCE

LEAVITT AND BROWN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# ELEMENTARY SOCIAL SCIENCE

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TORONTO

# ELEMENTARY SOCIAL SCIENCE

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New York
THE MACMILLAN COMPANY
1918

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Set up and electrotyped. Published April, 1917.
Reprinted September, 1917.

Norwood Press
J. S. Cushing Co. — Berwick & Smith Co.
Norwood, Mass., U.S.A.

# PREFACE

THIS elementary study was prepared primarily for that large group of pupils who leave school and enter upon their occupations without completing a four-year high school course. It seems highly desirable that such pupils have an opportunity to discuss, in the classroom, some of the more important economic and social phenomena.

The prime purpose of the book is to develop an interest in social, civic, and economic questions and to establish a point of view that will enable pupils to examine existing conditions and to consider without prejudice the problems that they suggest. It is believed that the study presented will develop an interest in the practical phases of economics and civics, and also in historical facts, particularly in such facts as reflect the life and the conditions of the common man.

The problems and questions suggested in each chapter are not intended to be used in all communities exactly as they stand, but they serve to indicate the kind of work that has been found stimulating to the pupils for whom this study was first prepared. In fact the teacher is warned against too strict conformity to the outlines given. Such conformity is entirely unnecessary, and the teacher who follows the spirit, rather than



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the letter of the "Problems" and the "Questions" will find, without doubt, that new material will come to hand readily and in great variety.

As already noted, the material presented herewith has been selected with reference to a particular group of pupils. It is hoped, however, that the topics treated are so universal in their interest, and that the methods suggested are so elastic, as to render the book useful as an introduction to more extended courses in economic history, in civics, or in economics.

The book is intended to be a laboratory manual as well as a textbook, the pupil's own world being the laboratory in which the research work is to be done. While it is extremely elementary and somewhat fragmentary, it is complete enough to include brief consideration of many fundamental facts needed by the pupils for whom it is intended. This minimum may be supplemented by such references to works on elementary economics, civics, or history, as the individual teacher may find desirable for his own class. The book, however, will be found useful and adequate just as it stands, if the pupils be allowed to do original work in connection with the problems and questions.

It is hoped that this initial attempt to provide an elementary general course in social science will stimulate a new interest in this particular phase of training for citizenship.

THE AUTHORS.

# TABLE OF CONTENTS


| CHAPTER | | PAGE |
|---|---|---|
| I. | Some Elementary Economic Facts | 1 |
| II. | Land | 12 |
| III. | Labor | 21 |
| IV. | Capital | 31 |
| V. | Management | 40 |
| VI. | The Modern Business of Production and Distribution | 52 |
| VII. | Some Elementary Social Facts | 73 |
| VIII. | Public Education the Cure for Ignorance and Poverty | 81 |
| IX. | Promotion of Public Health the Cure for Disease | 97 |
| X. | Promotion of Morality the Cure for Crime | 112 |
| XI. | A Few Facts of Political Science | 125 |

# ELEMENTARY SOCIAL SCIENCE

## CHAPTER I

### SOME ELEMENTARY ECONOMIC FACTS

I. Introduction.
II. What We Know about Our Wants.
  1. Individual wants.
  2. Community wants.
  3. Institutions.
III. The Satisfaction of Economic Wants.
IV. Wealth and Poverty.
V. Agencies of Production.
  1. Land.
  2. Labor.
  3. Capital.
  4. Management.
VI. Property.
VII. The Economic Ideal.

**Introduction.** — There are many things that distinguish man from all other animals, but perhaps the most interesting to think about is the way in which he studies and learns and then makes records of what he has discovered. Each generation of men, therefore, has a good chance to begin at the place reached by the one before and so make progress certain.

It is not so even with the most intelligent animals. Wonderful as is the work of the beaver, building his house, or beautiful as is the web of the spider, delicate beyond the skill of man, still the beaver and the spider build and spin to-day just as beavers and spiders built and spun thousands of years ago.

Men study many things besides books. They study the land and all that is taken from it. They study air, water, rocks, rivers, vegetation, and animals. But one of the world's greatest writers once said, "The proper study of mankind is man," by which he meant that the most valuable and interesting study we can make is a study of our fellow men. And what an interesting study this may be if we are really curious to know what it teaches. If you chanced to see a throng of people hurrying down a side street, you might be quite curious to know what had happened and what was likely to happen in the next few minutes. But things are taking place all the time, on the side streets and on the main streets, which are just as interesting but about which we show no curiosity. People who live in small villages, on going to the large city for the first time, are greatly interested in the dense crowds and are really anxious to find out what all the people are doing, and what all the confusion means. Those who see these sights every day are not curious at all, for they have become accustomed to them, but there is nothing that can help us in this study more than to be as curious as the stranger and, in that spirit of personal interest, to learn all we can about the lives and aspirations of these very people whom we see every day.

If you went out into the country and saw an ant

hill with hundreds of ants hurrying hither and thither, you would probably come to the conclusion, if you stopped to think of it at all, that all this activity meant that the ants *wanted* something and that they were busily *at work* to accomplish the thing desired. And if we could get up above, and outside of, this great struggling mass of humanity which we call a city, or a state, or a nation, we should be just as curious about the hurry and bustle, and should want even more to know the reasons for it.

Now if we try to tell just what all the people *are* doing, perhaps we may say to ourselves, "Like the ants they are striving to satisfy their wants." But if we attempt to tell what these wants are, we shall find that it is not a simple matter. It will be much easier to tell about the activities of an early savage. Perhaps all we can say is, "He is striving to get, for himself, and perhaps for one or two others more or less dependent upon him, food for the day, a bit of clothing for the coming winter, a shelter from the cold, or protection from wild beasts."

These wants of the savage are *personal* wants and have little to do with the tribe of which he is a member. In the main each member of the tribe can and will look out for himself. But with the members of a civilized community, city, state, or nation, it is quite different. Each one must do much for himself, but he has, also, things to do for all the others or, as we generally say, for "society." And so in our study we must always try to think of men in these two different ways, first, as individuals, and second, as members of society or citizens. With this in mind let us set our-

selves to work to think out what the wants of the people in our own community are and just what the people are doing to satisfy these wants.

At the outset, one important thing should be understood clearly, and that is the difference between the present time and the time of the savage. In far-off times man satisfied his wants directly. If a savage wanted a covering for his feet, he trapped and killed an animal, removed and dressed the skin, and made the article with his own hands according to the custom of the time and the tribe.

To-day if a man wants a pair of shoes, perhaps he works all the week making hats in order that he may earn enough money to *buy* the shoes. At the same time some shoemaker is working to earn or to save money for a hat. In one way the hatter and the shoemaker exchange their products and we say that money is the "medium of exchange." The savage worked *directly* to satisfy his wants, while we work *indirectly*. But our wants are just as real, just as individual, and much more numerous than were the wants of the savage.

You will learn later that this study of man, when it is carried far enough, is called economic history. Perhaps you think of history as something that began long ago, and so it is, but it will be well for us to look first at the present so that we may understand the beginnings better when we hunt them out by and by. Our lessons, therefore, for a time, will be about human wants and the ways of satisfying them.

**What We Know about Our Wants.** — First it will be well for us to make certain lists to help us think more

clearly about many things of everyday experience. These lists will be three in number, and, just to give them names, let us call the first a list of *individual wants or needs*, and the second a list of *community wants or needs*. The third list we may call *institutions*, for it is generally the case that an institution grows out of the effort to satisfy a community want or need. For example, the people living on the Atlantic coast in the early days of this country gradually spread out across the whole continent. They felt the need of communicating quickly and easily with each other for their better protection and their greater happiness. This need resulted in the development of the institution which we call the postal system. Or the people who are crowded in the large cities feel the need for recreation in the open air, and room in which to carry on all forms of outdoor exercise. The institution which we call the park system came to satisfy this want.

While these lists can be worked out in school, it will be well for you to think about the matter at home and to ask questions of your parents and friends. Above all, use your own eyes, observe for yourselves, and add to the lists the results of your efforts.

*Individual wants.* — This list is perhaps the easiest to make and probably will be the shortest; for, while we seem to want a great many things, these things can be classified under a few headings.

Probably we can do no better than to begin with the wants of the savage, already mentioned, for we, like the savage, need food to eat, clothing to wear, and houses to protect us from the weather. To these, add the things which we want for ourselves, — the things which

we would want even if we cared nothing about the welfare of the city as a whole.

*Community wants.* — In addition to our individual needs we can see that there are things which we want all together or "in common" as we say. Thus, especially in our large cities, we need parks and playgrounds. It is not necessary that each one should own a piece of land himself, but "public" land, for public use and individual enjoyment, is a genuine need as well as a great blessing. This is as true of a small city park as of a great national playground like the Yellowstone National Park.

In adding to your list think of the things provided at public expense which promote health, morality, and happiness, and which make the city a better place in which to live.

*Institutions.* — What is meant here by the word "institutions"? When, for a long time, people have done a thing in a certain way it becomes a custom, and some customs become so important that we call them institutions. Thus, in the United States, we have been so much interested in seeing that people had an education, and the custom of attending school has become so universal, that we say public education is one of our institutions.

These institutions are evidences that our people are busy doing a variety of things. For example, the library is one of our institutions and we may say that it is evidence that people are busy reading. So, if you want to hunt out our institutions, just look for evidence that people are busy and then find out what it is in which they are engaged.

Old Church at Sandown, New Hampshire, Built in 1773–74.

One other thing will help you in your search for institutions. In cities most of the activities are carried on within buildings. Therefore, if you make a list of all the important buildings, or kinds of buildings, of which you can think, you will have a key to the list of institutions.

The illustration opposite shows an old New England church, or "meetinghouse," as these buildings were called. These meetinghouses represented two important institutions of the time, the church and the town meeting, being used not only for religious services, but as town houses for the transaction of the business of the town. The illustration is from a photograph of the old church at Sandown, New Hampshire, built in 1773–74. It was, and still is, used as the place of town meetings, elections, and church services, though the latter are now held only occasionally, as the church organization has dissolved.

**The Satisfaction of Economic Wants.** — How fully are economic wants satisfied? In this question there are four important words, "fully," "economic," "wants," and "satisfied." The meaning of at least one of them must be explained.

We have been studying about "wants" and so, of course, we know what is meant by that word. Perhaps, also, we understand what is meant when it is said that some people are in great need while others seem to have their wants "fully satisfied." Unfortunately most communities have many members who have too little with which to supply the necessary things of life, while others seem to have enough to provide even the more expensive luxuries.

But what is meant by "economic wants"? For our purpose, economic wants may be described as those wants which must be "satisfied" to enable a man to earn a living for himself and for those dependent on him. In other words, each individual needs two things, first, *an opportunity to help in the production of wealth*, and, second, *a chance to get, for his own living, a fair share of the wealth he has helped to produce.*

**Wealth and Poverty.** — Now let us ask what is meant by the question, "How fully are economic wants satisfied?" The question might be put in this way, "Is wealth evenly distributed?" Surely our study of wants has made it quite clear that the good things of life, for which nearly all people seem to be working, are *not* distributed evenly.

If asked to describe "wealth" or "poverty," we might be inclined to do so by pointing out one man who is rich and another who is poor. But the words "wealth" and "poverty" mean much more than that. Even if we say that the wealthy man has money and the poor man has little or none, that does not make the real meaning much clearer.

Wealth does not "happen." It has to be "produced" just as a mince pie does not grow but has to be made. No one can make a mince pie unless he has the materials out of which to make it, and the utensils for putting it together and baking it. In much the same way, no one can become wealthy unless he has, or can get, the materials out of which wealth is produced, or can control the means for producing it. While possession of the materials, or the ability to control the

means of production may lead to wealth, absolute lack of both makes for poverty.

**Agencies of Production.** — What are the means for producing wealth? They are land, labor, capital, and management. These are sometimes called the "agencies of production." Each will be studied a little later in a chapter by itself and so only the simplest definitions of these four agencies of production will be given here. Perhaps even these simple definitions cannot be understood clearly until the later study is given to the subject, but they help to show how all four are closely related.

*Land.* — Land, with its rich treasure store, is the element furnished by nature.

*Labor.* — Labor is the element contributed by the strength and energy of man.

*Capital.* — Capital is anything that has been saved from past production provided it is now at hand ready to be used in *further* production.

*Management.* — Management is the element of human intelligence and ability applied to the production of wealth by directing the labor or using the capital of others.

Generally speaking, therefore, a man is wealthy because he can control one or more of these agencies, or is poor because circumstances do not permit him to do so.

**Property.** — The most common evidence of wealth is frequently spoken of as "property." If a man owns land and the buildings that stand upon it, we say that he has "real estate." If his property is in any kind of movables, such as merchandise, personal belongings, household goods, or money, we say it is "personal property."

**The Economic Ideal.** — Finally we should notice that wealth does not necessarily mean *great* wealth, though in the common use of the word such meaning is generally understood. Nor is great wealth necessary to the happiness of the individual or to the well-being of the city, state, or nation. Our own country was once described by one of its greatest statesmen as a nation of small farms and small shops. It was only as this condition changed that the evils of poverty and the abuse and misuse of wealth became serious problems in the United States. The ideal economic community is that in which the general economic level is reasonably high, rather than where some have great wealth and others are suffering extreme poverty. While equality of opportunity for all may not be possible, such studies as these we are making will help toward bringing about improved conditions.

## SUGGESTED PROBLEMS

If you do not understand the terms used in the following questions so well that you can explain them to another pupil who has not had this work, read the text again and try to get the meaning more clearly.

Take the lists of individual wants, community wants, and institutions, and rearrange the items, listing them in the order of their interest to you.

When these new lists have been made by all the class, compare them and make a table showing the number of "votes" for first, second, and third place received by each topic.

## QUESTIONS

1. What is meant by the expression "individual wants"?
2. What are community wants?
3. What do you understand by the term "institutions"?

4. What is meant by the expression "society"?
5. What is the meaning of the word "economic"?
6. What two economic wants must be satisfied in order that an individual may earn a living?
7. What is economic history?
8. What is meant by the term "wealth"?
9. What conditions may produce poverty?
10. What is money?
11. What have people used for money in the past?
12. What kinds of property are there?
13. What are the agencies of production?
14. What is meant by the expression "the distribution of wealth"?

# CHAPTER II

## LAND

I. Private Ownership of Land.
   1. Deeds and titles.
   2. Free public lands.

II. Private Ownership Hastened Civilization.

III. Private Ownership in Land Brings Wealth and Poverty.
   1. Sale.
   2. Rental.
   3. Farming.

**Private Ownership of Land.** — A city, especially a large city, owns considerable land which is used for the common good. We may use freely, so long as we use properly, the streets, the public parks, the playgrounds, and the grounds of the schoolhouses, libraries, and other municipal buildings. We say we have a right to do so.

But suppose we decide that we would like to use a vacant lot, which seems to be of no particular use to anyone, what would happen? We should soon find that it was owned by some individual, perhaps one John Smith, and that we had no right to occupy it for any purpose whatever. If we tried to do so, we might find ourselves liable to punishment as trespassers.

*Deeds and titles.* — Where did John Smith get his right to the land, and how can we be sure that he owns it? Probably John Smith bought the land, giving a certain amount of money in exchange for it. If he did he received, together with the land, a "deed" which is a written document, properly signed, describing the location of the land and witnessing that it has been duly "conveyed" to said John Smith by one Samuel Jones. The deed is duly recorded in the Registry of Deeds, probably in the County Building, where anyone has the right to see it.

When a man buys a piece of land he generally employs a lawyer to "look up the title," to see, for example, if Samuel Jones had a deed for the land, and whether the man he bought it of had a deed and so on. Now if we look back far enough, we may find that someone owned the land who had not bought it but had received it as a "grant" from the government. The titles to some lands in America go back to the Indians who, in certain cases, sold the rights to the white settlers.

The illustration opposite is a picture of a deed now in the possession of the Chicago Historical Society, and said to be the oldest deed in Chicago. This deed, given by one Tegal Trader, shows that he sold his land for the sum of $500. He had purchased the land, some years before, of the United States Government, paying therefor one dollar and twenty-five cents per acre. The Government had come into possession of it by a treaty with the Indians in 1816.

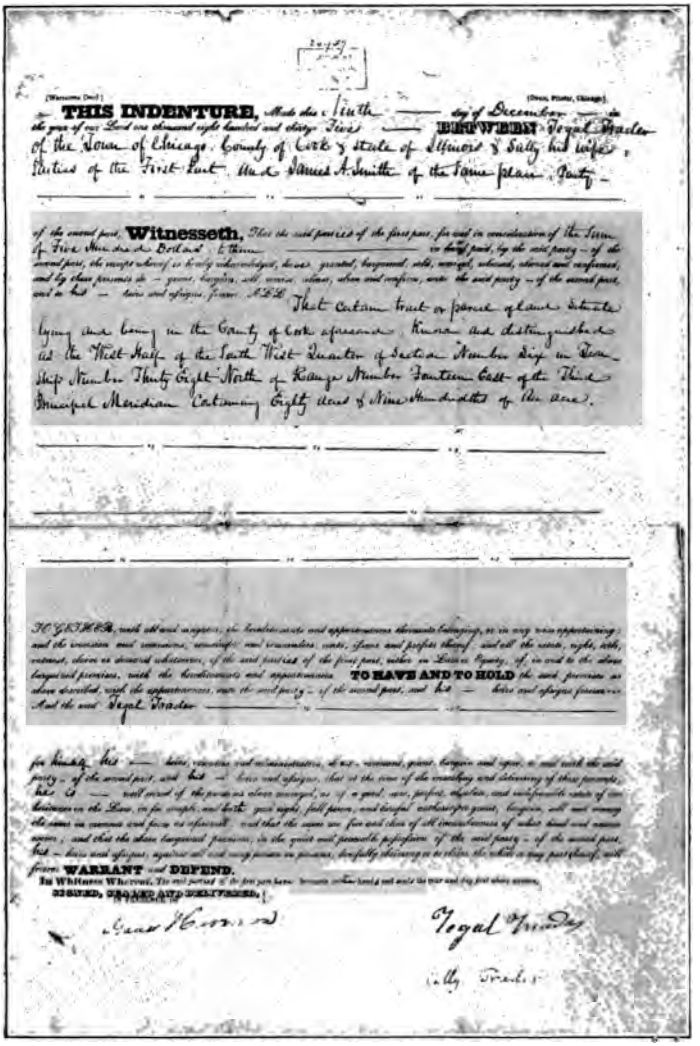
Other land was deeded to its first individual owners by some company, as, for example, the Plymouth

Company or the Massachusetts Bay Company, which, in its turn, had received it from the King of England who claimed it by right of discovery. You can read elsewhere about the commission which the King gave to the Cabots to discover lands and to set up the King's standards.

To-day it frequently happens that the title to a piece of land is rather difficult to trace and that the attorney's fee for the work of looking it up is large. Even in ordinary cases, the fee is twenty-five dollars or more and it may be necessary to wait several days before the work can be completed. For this reason, a few of the states have adopted a new plan of establishing ownership, a plan known as the Torrens System, from the name of its originator, Major General Torrens, of Australia. By means of this plan a certificate of ownership can be issued and guaranteed by the state or local government within twenty-four hours, and at a cost of only three dollars. Such measures as this benefit the small landowner.

All this will make an interesting study, but what we must see just now is that if one wants land to-day he will have to purchase it. Practically there is no more undiscovered land which one may have for the taking, and little free public land which one may receive as a grant from the government. This ought to make it quite clear to us how important private ownership in land really is.

**Private Ownership in Land Has Hastened Civilization.** — What private ownership in land has meant to the progress of civilization, we must now try to see. To understand this let us think back to the times of



[Warranty Deed] (Dean, Printer, Chicago.)

THIS INDENTURE, Made this Ninth day of December in the year of our Lord one thousand eight hundred and thirty Five BETWEEN Vogal Trader of the Town of Chicago County of Cook & State of Illinois & Sally his wife, Parties of the First Part And James A. Smith of the Same place Party

of the second part, Witnesseth, That the said parties of the first part, for and in consideration of the Sum of Five Hundred Dollars to them in hand paid, by the said party of the second part, the receipt whereof is hereby acknowledged, have granted, bargained, sold, warrant, released, alienated and confirmed, and by these presents do — grant, bargain, sell, warrant, release, alien and confirm, unto the said party of the second part, and to his — heirs and assigns, forever, ALL That certain tract or parcel of land situate lying and being in the County of Cook aforesaid known and distinguished as the West Half of the South West Quarter of Section Number Six in Township Number Thirty Eight North of Range Number Fourteen East of the Third Principal Meridian Containing Eighty acres & Nine Hundredths of the acre.

TO GETHER, with all and singular, the hereditaments and appurtenances thereunto belonging, or in any wise appertaining; and the revision and remainder, remainder and remainders, rents, issues and profits thereof; and all the estate, right, title, interest, claim or demand whatsoever, of the said parties of the first part, either in Law or Equity, of, in and to the above bargained premises, with the hereditaments and appurtenances TO HAVE AND TO HOLD the said premises as above described, with the appurtenances, unto the said party of the second part, and his — heirs and assigns forever. And the said Vogal Trader

for himself his — heirs, executors and administrators, doth — covenant, grant, bargain and agree, to and with the said party of the second part, and his — heirs and assigns, that at the time of the enrolling and delivering of these presents, he is — well seized of the premises above conveyed, as of a good, sure, perfect, absolute, and indefeasible estate of inheritance in the Law, in fee simple, and both good right, full power, and lawful authorities to grant, bargain, sell and convey the same in manner and form as aforesaid; and that the same are free and clear of all incumbrances of what kind and nature soever; and that the above bargained premises, in the quiet and peaceable possession of the said party of the second part, his — heirs and assigns, against all and every person in persons, lawfully claiming or to claim the whole or any part thereof, will forever WARRANT and DEFEND.

In Witness Whereof, The said parties of the first part have hereunto set their hand & seal and sealed the year and day first above written.

SIGNED, SEALED AND DELIVERED,

IN THE PRESENCE OF

Vogal Trader

Sally Trader

An Old Deed.

the early savages when, if one wanted a tract of land he just took it, and held it for his own if strong enough to do so. Probably, however, the early savage would not care to *own* land, because all he wanted was to hunt and roam over it and he could do that quite as well whether he possessed it or not.

But when, in the course of time, these primitive people began to plant crops they naturally wanted to settle long enough in one place to harvest what they planted. This would finally result in an understanding or agreement that a certain individual or family had a right to a particular tract of land. This right would be recognized, however, only so long as the family was strong enough to maintain it, or as long as no one else wanted the land. In those far-away times "a man's house was his castle," though perhaps it was only a tree, or a cave, or a rude hut, and he had to be ready to defend it against anyone who wanted it, and who thought that he was strong enough to take it.

It is a long story from this simple beginning of the private ownership of land to the present time, when one feels perfectly sure of his rights because of the recorded deed. The only difficulty to-day is that there is so little good land to be had at a reasonably low price. Land is nowadays relatively scarce and relatively dear.

Thus, if you will think about it, you can see how private ownership in land has helped to bring civilization; has helped to bring people together in communities; has taught them how to live at peace with each other; has helped to keep society more stable.

**Private Ownership in Land Brings Wealth and Poverty.** — But there is something else which we must note carefully about private ownership in land, and that is that it has much to do with creating wealth and perhaps quite as much to do with creating the conditions which keep many hundreds of human beings in poverty.

As we learned in the last chapter, control of the land is only one of the agencies of production, — only one of the ways in which one may become wealthy, but it has always been an important one. There are three general ways by which individuals have been made rich through ownership of land: they are sale, rental, and farming.

*Sale.* — Some of the great fortunes in the United States have come to men who owned large tracts of land near towns or cities where the growth of population was rapid. In such cases the value of the land increases enormously. What was formerly a piece of pasture land has become ten, twenty, or thirty city blocks, covered with residences, stores, and office buildings. Every large city in the United States has made millionaires as it has spread out over land which, only a few years earlier, could have been bought for a few hundred dollars.

The owner of the land may become rich simply by selling his property in small lots at a figure many times greater than the original cost to him. In such cases he does little or nothing to deserve this increased valuation. In other cases the owner may "improve" the land as it is called by laying out streets and parkways and inducing people to build houses and

become residents. A part of the profits thus gained may possibly be invested in more land still farther from the center of the city to be similarly improved and sold. If he does this, and especially if he builds houses to rent or to sell to newcomers, he does a genuine service to society and so deserves his increased profits.

*Rental.* — The owner may prefer to rent or lease his land to someone who wishes to build a store or office building but who has too little money to own both land and building. Rent is the charge which the owner makes for the use of the land, to be paid at stated periods, as annually or semiannually. The title to the land, however, remains with the original owner.

A lease is an agreement, signed by both parties, first, that the one renting the land shall have the undisputed right to use it exactly as if it were his own, for a period of years, subject to the terms of the lease, and second, that the rent shall be paid as promised and shall not be changed from the amount originally fixed upon, during the time of the lease. Leases of ninety-nine years are quite common in the rental of land in the heart of the city.

The rental of land is often a source of great income. In some cities the rental of a corner lot brings to the owner a small fortune, while the lot itself could have been bought a few years earlier for a pair of shoes, — so hard was it to get a pair of shoes, and so plentiful was land.

In some instances the original owner may sell portions of his land and, with the profits, erect buildings for his own use or to rent to others. In this case his profits come both from sales and from rentals.

You will find it interesting to look up the valuation of some of the business blocks in your city. What is called the "assessed valuation" can be seen on maps in the office of the Assessors. This assessed valuation is generally much less than the real value of the property. If you are extremely interested and energetic you might be able to find out what the valuation of the same property was ten, twenty, or forty years ago.

*Farming.* — Another way in which great wealth has come from ownership in land is through its cultivation, — that is to say by farming. This was especially true when large tracts of virgin soil could be bought at a small price and large crops of a staple product could be raised. But there are few millionaire farmers and the price of land is no longer low. Land in the Middle West which could be bought for $40 to $50 an acre a few years ago, is now being held at $200 to $300. It is said to be practically impossible to make great profits, under ordinary conditions, from working land for which one has paid such a large sum. And it is true that relatively little land is being sold for farming purposes at these figures. What this means is that the owners of the land, unable to sell it at their price, and unwilling to work it longer for themselves, are renting their land to "tenants."

The work of the farmer is vital to the lives of all and his welfare is a matter of general interest. For this reason, all should understand that the practice of renting farms at excessive rates to "tenant farmers" is known to be a bad thing for the country as a whole. Possibly the landlords, living in the towns, may be growing rich, but the tenants have little opportunity

to become owners themselves. They can save little or nothing from the income of the farms after the rents have been paid. This is sometimes called "absentee landlordism." In all ages it has been a real danger to the country in which it exists.

So we should be concerned that the amount of "tenancy" in the United States is increasing. In thirty years, from 1880 to 1910, it rose from 25.5 per cent to 34 per cent. The number of tenant farmers increased 130 per cent, while the number of farms worked by owners increased only 34 per cent. These facts show us that there is now little free land to be had, otherwise these tenants would surely take it up. The facts would also seem to prove that farm profits go to those who own the land rather than to those who work it, for if this were not the case tenant farmers would soon become well-to-do and would purchase farms for themselves. This is another illustration of the way in which private ownership in land may produce conditions which result in the poverty of some people.

Of course, there are other ways in which wealth may come to an individual through private ownership in land, for, after all, most of the materials used in production come from the land, and the one who owns the land has an opportunity to get some of the profits from this material for himself. Among others may be mentioned mining, forestry, grazing, and fishing. Thus it is seen that land, as one of the agencies of production, is of interest to all, even to those who live in the cities and who may never have an opportunity to own land themselves.

## SUGGESTED PROBLEMS

Go to the office of the Recorder of Deeds and see what information you can get about the ownership of land in your community.

Go to the office of the Assessors and learn what you can about the value of land in your neighborhood.

Make a list of a few of the wealthiest business houses in your community and, after investigation, report on the source or sources of wealth to which their incomes can be traced.

How many of these gained wealth from land directly, and in what way?

Find out what you can about the Torrens System.

## QUESTIONS

1. What is meant by public ownership of land?
2. What is meant by private ownership of land?
3. What is a deed? Did you ever see one?
4. What is meant by the title to a piece of land?
5. What do you know about John and Sebastian Cabot? About the Plymouth Company? About the Massachusetts Bay Company?
6. In what ways may an individual become wealthy through ownership of land?
7. What is an absentee landlord? Do you know any?
8. What do you know about the ways in which citizens in your community acquired land?
9. Do you know the names of any millionaire landlords?
10. What is meant by municipal?
11. What are some of the municipal holdings in your community?
12. How did England gain possessions in America?
13. By what general methods were most of the American colonies planted? Do you know of any differences in the methods worthy of mention?
14. In what different ways has the United States Government procured lands?
15. What territory have we gained by each of these ways?
16. Are there any government lands left? Where are they? How are they disposed of?

# CHAPTER III

## LABOR

I. Earning a Living.
   1. Working for one's self.
   2. Working for an employer.

II. Slave Labor and Free Labor.

III. Employers and Employees To-day.

IV. Rewards of Labor.
   1. Opportunity to work.
   2. Increasing earning power.
   3. Leisure.
   4. Satisfaction.

**Earning a Living.** — In the morning the street cars of every large city are crowded with people going toward the business and manufacturing centers, and the sidewalks are thronged with men and women, boys and girls, all hurrying in the same general direction and apparently moved by one purpose. It is such a common sight that it is hard for us to think what it really means. We say they are "going to work." But why and how?

Of course we know that they are doing this work to earn a living, but we seldom stop to think how large a proportion of these people are merely "selling their time" to their employers, with a little strength, or skill, or knowledge thrown in.

*Working for one's self.* — For contrast let us think of olden times and see how some other human beings have earned *their* livings.

The savage, going forth to satisfy his hunger, does not work for an employer. Through the woods, which belong to him as much as to anyone else, he hunts his prey. With his own weapon, made by his own hands, he kills his quarry and removes the flesh for his food. He prepares it himself and consumes it.

Or in early periods of civilization we see the small landholder, living in his own house rudely built out of such material as is at hand, raising on his little farm nearly all the things which he needs in his simple life. Perhaps he has a little more flax or wool than he wants for his own use, and a little more time than is required for supplying his own necessities; and so, with his own tools for preparing and weaving the flax or wool, he makes a little cloth which he can sell to another. This product results from the use of land, material, tools, skill, knowledge, and time, all of which are possessed by the worker. When he sells his product he sells all these "elements of production."

*Working for an employer.* — How different it is to-day. Some young friend leaves school and we ask him why. He says he is going to work. If we ask "Where?" or "For whom?" his reply comes easily enough. "I am going to work for the Steel Hardware Company." This really means that the Steel Hardware Company wants the use of John's time, and that he is willing to sell it to them for five dollars a week. John owns no land; he has no supply of unused material to dispose of; he has little if any skill or knowledge

which his employer wants. If tools are required for the work John is to do, the company will furnish them. It is his *time* for which John is to receive his five dollars a week, or, as we say, his " wage."

The savage and the early farmer-craftsman did not work for a corporation, they worked for themselves. But John, in one way, is working for himself quite as truly as did the savage. He is working to satisfy his wants; is working to support or to help support himself, which means to secure his food and clothing, though he does not do it with a bow and arrow, or with farming implements, spinning wheel, and loom.

But John was right when he said he was going to work for the Steel Hardware Company. He must strive to satisfy the company rather than to satisfy his own personal pleasures and desires, especially during working hours. Of course he has a personal interest in pleasing his employer, but there is a real difference between his personal and his business interests. Therefore we must try to understand the real meaning of the terms " employer " and " employee." The employer *buys* time or service. The employee *sells* time or service. *What the employee sells* we may roughly describe as " labor."

But why does the Steel Hardware Company wish to buy John's labor? The " Company " is a corporation of perhaps seven or eight men. Of course a corporation may be composed of a smaller number of men or it may be a stock company of several hundred stockholders, but let us suppose the Steel Hardware Company is a corporation of seven. Now these seven men own a large factory and a store or ware-

rooms. They want to produce and sell a great deal more merchandise than they can possibly handle themselves and so they must use the labor of others. Of course they intend to pay John and the other employees for the labor, and perhaps they will pay a fair or even a liberal price for it. It is not a part of their plan, however, to help John or their other workmen to become as wealthy as they are themselves. In fact, they expect to keep the profits on the business for their own use and they feel that they are fully entitled to do so. Thus they are really planning to have John work for *them.*

It must not be thought that this is a wrong thing for the seven rich men to do. As things are to-day we have little right to criticise them. It may be even generous for the rich man to risk his wealth in a business which gives work to many, when he might put it carefully away for his own personal use and live a life of idleness.

**Slave Labor and Free Labor.** — There have always been men who were willing to use the labor of others for their own private gain. We have all read stories of the days of slavery in our own country and, perhaps, stories of other systems of slavery in other days and places.

As a rule the slave, in all lands, has had little choice as to his work, but was put at his task quite the same as if he had been a horse. Also the work of the slave was generally hard and disagreeable and often dangerous and painful. If he refused to do as he was told his punishment might be cruel and his life made one of hopeless misery. He was the property of his

master and could be bought and sold like any other property.

On the other hand, a master might be kind and considerate or even loving toward his slaves. In some cases slaves have been well trained, skillful and intelligent and have been trusted by their masters with great responsibilities and comparative freedom. However, when we think of slave labor we always have in mind the labor of a man owned by a master and forced to do whatever his master wished.

Free labor is labor given by one who is free to choose what he will do, for whom he will work, and many other things regarding the conditions of his labor. He gives this labor willingly and happily in exchange for a reward which to-day is generally spoken of as wages or salary. All labor in the United States is supposed to be free, for the American workman can refuse a position if it is not to his liking. Still, what can be said when the conditions are such that if the workman refuses a particular position he has practically nothing else to do except starve? Such cases are far too common, and it must be admitted that many free workmen are laboring under conditions to-day which are much worse than those of some slave labor of earlier days at its best.

**Employers and Employees To-day.** — As time goes on, a larger proportion of all the people work for employers instead of directly for themselves. Not only is this the case, but a great change has come about in the "employer." It will be remembered that we were once a nation of small farms, small workshops, and small stores. As the farms and the shops and the

stores increased in size, the number of employers became relatively smaller and the employers themselves became richer and richer. Now the employers are frequently found to be large and rich corporations.

The illustration opposite page 57 shows one of many large plants of the International Harvester Company, by whose courtesy this picture is used. The one entitled "Factory Workers" (see opposite page), pictures a stream of employees leaving one of the buildings of this factory at the noon hour. Several thousand men are employed in this one group of buildings, while the company has factories in many other parts of the United States and in foreign countries.

With these changes in the employers of labor what is happening to labor itself? Does the individual workman have as much chance to receive personal consideration from his employer? If he wishes to leave his position is his chance of finding another one in the same industry as good as formerly? If he does better work than the other workmen or if he does more work in a day will it be of any benefit to him? If he attempts to do his work in a manner different from that established by custom what will be the result? These and many other questions come to the minds of all thoughtful people who think at all about labor problems, and those who attempt to answer the questions do not always agree, for there is another side to the question. While it may be more interesting and better in many ways to work for one's self, the plan of working for a corporation is not a bad one by any means. There are many advantages to us all in the plan of the large factory, the large store, and the large farm. All

FACTORY WORKERS. THE MCCORMICK WORKS, INTERNATIONAL HARVESTER COMPANY, CHICAGO.

the saving which comes from " large scale production " may be turned to the advantage of all and so prove that it is better to have *few* employers and *many* employees. But that will all depend upon how society answers the question, " Are the just rewards of labor to go freely to those who work? "

**The Rewards of Labor.** — What should the worker have a right to expect as the result of his labor? This question is a difficult one to answer but, if conditions could be ideal, if employers could be wise and generous, and if employees could be faithful and efficient, would it be too much to ask that the workers have the following rewards for their service?

*Opportunity to work.* — The worker ought to be sure of an opportunity to work at a wage which is large enough to furnish at least the necessities of life. But " unemployment " and " starvation wages " are terms which are seen so frequently even in the daily newspaper that all can feel how far from this ideal condition we really are. We know that many men who are willing to work and who have skill and ability are forced, at times of " business depression," to be idle for weeks, or to accept work at unskilled labor at less than a living wage.

*Increasing earning power.* — It is an old saying that " practice makes perfect." If this be true every faithful worker should expect that, as the years go by, his ability and skill will increase and therefore that his earning power will increase also, at least during the years of youth and middle manhood. But here again we are far from the ideal. It is a common thing for men to work at tasks which do not train them in skill

or make them more valuable to their employer day by day. It is too often the case that the man of fifty is earning less per day than he did at thirty and is working at a job which requires less skill and knowledge than the one which he held twenty years before.

*Safety in old age.* — If efficient service has been given throughout the years of active manhood, the worker should have assurance of safety in old age.

But one of the saddest things of the present time is that old age comes upon many a worthy person bringing dread of poverty and want. Figures show that in certain large cities a majority of men over sixty-five years of age are dependent on others.

A life insurance company publishes the following:

CALL IT LUCK — Call it the law of averages — call it what you like, YOU CAN'T DODGE THIS FACT: —

IF YOU LIVE TO THE AGE OF 65, THE CHANCES ARE 90 TO 10 THAT YOU WILL BE MORE OR LESS DEPENDENT UPON COLD CHARITY.

DO YOU DOUBT THESE FIGURES? They are vouched for by the United States Government. The census reports show that out of 4,000,000 persons alive at 65, at least 3,600,000 ARE OBJECTS OF CHARITY.

*Leisure.* — One of the most important rights of labor is the right to a reasonable amount of leisure time for rest, recreation, self-improvement, and the enjoyment of beauties of nature and art. Unfortunately some of the people, whom we have seen in imagination going to work in the morning, will seek their homes at

night too worn to rest, too weary in mind and body even to enjoy the release from their labor.

*Satisfaction.* — The worker ought to be able to take some real *satisfaction* in his work, to feel that he is making some contribution to society either by his work or in the leisure time which his work affords him for his own use. A Carnegie can think to himself, and take pleasure in thinking, " The people of this town are better and happier because of the library which I helped them to build." Something of this feeling should be possible for every one who works and who desires to contribute to the well-being of the community.

Even the youngest and least experienced of us can see that this is not the case with all workers. It must be clear to all that, even in our own good land where the conditions are better than in any other, there is still much improvement to be made in the lot of the workers. While the humblest worker in the twentieth century enjoys, at times, luxuries which kings could not have a few centuries ago, there is far too little comfort and safety to-day for the American workman. We must all help labor to get its just rewards, not only for the safety of labor but quite as much for the safety of society, for the power of labor to resist unfair treatment is the power which keeps us a nation.

## SUGGESTED PROBLEMS

Prepare a list of fifty occupations by which people make a living.

Classify these as to whether the work done comes under the head of "labor" or if it should be listed under some other head.

Classify the occupations in the labor list as to their likenesses. How many different classes have you made? Can you give a name to each kind?

## QUESTIONS

1. How did the savage supply his wants, that is, earn his living?
2. How did the early craftsman or the pioneer earn his?
3. How does the worker of to-day earn his?
4. What were used by the early worker in the making of any commodity?
5. What is meant by wages? By the term "wage worker"?
6. What is meant by employer? By employee? By slave?
7. Was the slave always a laborer?
8. In what different ways have slave classes been created?
9. Who was Æsop?
10. What is a corporation?
11. Is the present system of employment of the many by the few "fair"?
12. What is meant by the expression "large scale production"?
13. What are the advantages of large scale production? The disadvantages?
14. Why did the small workshop, the small farm, and the small store offer more opportunities for the individual?
15. What can you say about the following terms: unemployment; starvation wages; business depression; unskilled labor?
16. Have you ever known, personally, of instances that illustrate any of these terms?
17. To what is the faithful worker entitled as regards safety and care in old age, leisure, and satisfaction in work?
18. What can you tell about the luxuries of kings in the Middle Ages, as compared with the luxuries of the worker to-day?

# CHAPTER IV

## CAPITAL

I. What is Capital?
   1. Money not the same thing as capital.
II. The Capitalist.
   1. Popular sentiment regarding the capitalist.
III. Capital as Important as Labor To-day.
   1. The capitalist does a great service.
IV. A Needed Lesson.
V. A Warning.
   1. Need for cheaper money.
   2. The Federal Farm Loan Act.

**What is Capital?** — It should be understood that thoughtful men disagree sometimes as to the definition of capital, but they would nearly all agree on the facts which are illustrated by the following imaginary cases.

Harry makes lemonade and sells it at the baseball games and makes a dollar profit. If he spends the dollar for a book to read or for candy to eat, the money so spent is not capital. But if he spends the dollar for *more* lemons and sugar with which to make lemonade for other customers, the dollar is capital and Harry is a capitalist.

A manufacturer of sleds, skis, and toboggans owned a factory employing five hundred men. He had to buy his lumber, or "raw material," a year in advance in

order to season it properly. He could not make sales all the year round because his product was used only in the winter, but he was obliged to keep the factory running all the time or he would lose his men. It was necessary, therefore, to have considerable ready money in the bank with which to meet his bills as they came due and to pay his men every Thursday night.

This manufacturer saw a chance to increase his business if he could build an addition to his factory and put in some new wood-working machinery, but this would cost him $25,000 and he needed all his ready money for running expenses. What could he do?

His business was good as well as his "rating," so he went to the bank and arranged to borrow the amount he wanted for the improvement of his "plant." Of course, he had to give the bank security and had to pay for the use of the money. His security was good, a first mortgage on his real estate, and he was able to get the loan at 5 per cent interest.

We can illustrate by this man's experience what is meant by capital.

First, — The $25,000 he borrowed was capital as soon as he procured it for his use in manufacturing.

Second, — After the building was built and the machinery was installed, the building and machinery were capital just as truly as was the $25,000 which the manufacturer paid for them.

Third, — His supply of raw material on hand was capital.

Fourth, — The original plant was capital.

A farmer needed more land and some improved farm machinery so he borrowed money under the new

Federal Farm Loan Law at 6 per cent interest. He purchased both the land and the machinery but, since he knew that he would need money to pay the extra help at harvest time, several months before he could receive payment for his crop, he put $900 in the bank. In this case the new land, the new machinery, and the money deposited in the bank to provide for running expenses were all capital.

*Money not the same thing as capital.* — From these illustrations it can be seen that money and capital do not mean the same thing, though many people seem to think that they do. The manufacturer has money, but it depends upon the *use to which he puts it* whether it is or is not capital. Money which he takes from the bank to pay his dues at the Golf Club, or to pay for an overcoat, is not capital. Money which the farmer uses to purchase a fancy driving horse or a runabout for his wife and daughter is not capital. Money is capital only when it is used in production or when it is available for production.[1]

**The Capitalist.** — But what is a capitalist? Harry is a capitalist. The manufacturer is a capitalist. The farmer is a capitalist. The one whose money the manufacturer borrowed through the bank is a capitalist. As we learned earlier in the course, capital has been saved from past production, and the capitalist is one who has saved, or who has come into possession of what others have saved, and who is willing to risk his wealth in still further production. With business and indus-

[1] Some authorities think that money should not be called capital when it is idle waiting for a borrower. Others think it is capital if it is available for production.

try organized as they are to-day, the capitalist is, therefore, of great benefit to us all. It is a mistake to suppose that the capitalist is always a rich and powerful man who is opposed to labor, that is, who is fighting against the demands of labor for improved working conditions.

*Reasons for this popular sentiment.* — There are many reasons, however, why people feel this way about the capitalist. It is too often true that some rich capitalist *is* fighting labor in the bitterest fashion with little knowledge of the conditions under which his employees work. The capitalist employer may live in New York, while his employees are working in Colorado, or he may make his home in San Francisco, and invest his money in South Carolina. Recently (1915) some of these rich employers told a Federal Commission that they did not know how much their employees received per day; that they did not know what should be considered a fair wage; and that they had never made a study of labor problems. This was left to their managers or superintendents.

Perhaps these rich men were poor boys who had "worked their way up." In such cases the successful man frequently thinks that every one else has as good a chance as he had, failing to see how much things have changed in fifty years.

Then, too, the newspapers tell us about the large capitalists who have millions of dollars to invest in some industry or railroad, but they have little to say about the millions of people who have small sums to invest. Yet the total of these small amounts is enormous, and is of great importance as capital.

All this makes it plain why we see the two words "capital" and "labor" set down against each other so often, quite as we see other pairs of words such as "rich and poor," "black and white," "good and bad," "strong and weak." There is a real error in this way of thinking about capital and labor. These two elements of production should bear a relation to each other such as we feel in certain other pairs of words which we often see coupled together, such as "friend and companion," "peace and plenty," "light and liberty," "safety and happiness," "union and strength."

**Capital as Important as Labor To-day.** — This antagonism between capital and labor has existed for many centuries and the struggle is often bitter even to-day. There are people who say that labor and land are of more importance than capital and that, if all capital were destroyed utterly, labor and the resources of the earth would be able to maintain civilization.

This is all very interesting to think about and we may get some enjoyment, and some benefit, too, in trying to imagine just how things would start again without capital, and how, little by little, the world would be built anew. But the facts are that capital will never be destroyed utterly, and that to destroy it in one place only makes it more powerful in another. This is because capital is absolutely necessary to the present-day system of large scale production, a system which, as we have seen, may be turned to the advantage of all.

*The capitalist does a great service.* — For the steady progress of civilization an immense amount of new capital is needed every year. Where is this to come from? Perhaps you will say that the multimillion-

aires will furnish it, but many and rich as they are, they have not enough capital to carry on the large industries and the extensive business of the country. The small savings of the millions of people all over the country must be brought together in some way and "put to work." The men who help to accomplish this are rendering a great service, and this is one of the things which the capitalists are doing.

**A Needed Lesson.** — There is one important lesson to be learned from all this, namely, that we should appreciate much more than we do the *principle* which capital represents, the principle of *saving*. Idle money as well as idle land is wasteful. Invested money becomes capital and works for all, while money carelessly "consumed" is often worse than wasted. This lesson is needed in the United States particularly, for we have been an extravagant and a wasteful nation. It is said that we spend more each year for beer than for bread, and more for soda water than for shoes. There are two old sayings, "A penny saved is a penny earned" and "Take care of the cents and the dollars will take care of themselves." We should take these sayings to heart and see that for us, as individuals, capital means *saving* and *investment*.

**A Warning.** — But there is real danger to society from the power of capital unless it is wisely regulated. The one who can borrow money at a low rate of interest has a great and perhaps an unfair advantage over the one who has to pay a high rate. Credit, that is the ability to borrow money or to "get trusted" for goods, is necessary to the success of almost any kind of business enterprise, and those who cannot get credit are

at a disadvantage. In the past few years the small manufacturer or merchant, and the farmer whose capital was all in his land, have frequently been seriously handicapped by their inability to borrow money except at an excessively high rate of interest. It was for the benefit of the latter class that the rural credit measure, known as the Federal Farm Loan Act, was recently passed by Congress. (1916. Operative January 1st, 1917.) By means of it the farmer is assured of the same chance of obtaining credit on his successful farm as the manufacturer is of securing a loan on his profitable mill or factory.

By the provisions of this act the United States Government establishes a system of twelve Federal Land Banks under the supervision of a Federal Farm Loan Board. From these banks the farmer may borrow money for a period of from 5 to 40 years, under the conditions fixed by the act, on the security of his farm lands, the interest not to exceed 6 per cent. It is expected that this provision will make liquid the enormous capital now bound up in farm lands; that it will encourage farm ownership and discourage tenant farming; and that it will provide necessary capital for stock, machinery, and improvements. A pamphlet entitled "How Farmers May Form a National Farm Loan Association" is issued by the Federal Farm Loan Board. This document describes the plan in detail.

All this goes to prove that there is a genuine need for the regulation of the power of capital. There seems to be something about the investing of money which causes people to forget to be like brothers and so, if we wish the nation to be like a happy family, we must not

let a few people hold or manage nearly all of the capital. In other words, we must try to have as fair a distribution of wealth, and the means of getting it, as is possible.

It should not be thought that it is the rich alone who come under this strange influence of the desire to get money. Those who have little are likely to think that it is only the wealthy capitalist who grinds down labor and makes large profits at the expense of the consumer and keeps the lion's share for himself. No, all people are more or less alike. If some one in *your* family had $500 invested in a Southern cotton mill, would he not be quite likely to take a 10 per cent dividend without thinking much about the child labor which made the large dividend possible? Would *you* wish to have the investment changed to another mill paying only 5 per cent simply because the conditions of labor in that mill were better?

As the boys of to-day grow into manhood they should learn, little by little, that it is not necessarily the rich man who oppresses the poor, but that it is our "system," and they should learn to stand with the right side in changing the system in the best and wisest way possible.

## SUGGESTED PROBLEMS

Select some store, manufacturing establishment, or farm, about which you think you can get some information.

Learn what you can about the amount of capital employed in land, buildings, and ready money for running expenses.

Estimate the amount of income the owner would receive if he could convert his establishment into cash and invest the money at 6 per cent.

Study the provisions of the Federal Farm Loan Act. What is the total capitalization of the twelve banks?

If you were a farmer and owned your own farm, how could you raise money on your farm through the provisions of this system?

## QUESTIONS

1. What evidences of capital can you find in your community?
2. How many and what forms of capital are used by a manufacturer?
3. What is meant by raw material?
4. What is meant by the expression "manufacturing plant"?
5. What is the difference between money and capital?
6. Is it easy to borrow money?
7. What will help the borrower?
8. Have you an account in the savings bank?
9. What is interest? What is usury? What are dividends?
10. What is meant by the expression "putting a mortgage on his real estate"?
11. Why do some people speak harshly of capitalists?
12. Do you know any capitalists?
13. What should be the relation between capital and labor?
14. Why is it necessary to-day to have large amounts of capital available for borrowers?
15. How does the capitalist help to combine the small savings and make them available as capital?

# CHAPTER V

## MANAGEMENT

I. Why Management is Necessary To-day.
II. Representative Management.
  1. Representatives of labor.
  2. Representatives of capital.
III. Management through the Control of Money.
  1. By means of banks.
  2. By means of stock companies.
IV. Management through Control of Market Opportunities.
  1. By means of combination.
  2. By means of special privileges.

**Why Management is Necessary To-day.** — The farmer-craftsman, you will remember, carried on a little manufacturing in his own home in addition to working his farm. He was able to manage his little business very much as he pleased becaused he possessed *all* the elements of production. This may be stated in other words. We may say that the man owned his farm and raised his raw material; that he had his plant and all other necessary capital; that he could decide what he would do with his product and how much to ask for it if he sold it. He had, therefore, land, labor, capital and "management" all in his own hands. But suppose the land belonged to Jones;

the labor to Smith; the capital to Robinson; and the marketing of the product to Mercer. Who would manage the business?

To-day the land may belong to "the Jones estate"; the labor may be done by ten thousand Smiths; the capital may belong to five hundred Robinsons; and the product may be marketed by "The Mercer Sales Company." You can see how complicated it all is and how necessary it must be to have some means of management quite different from that employed in the days of the farmer-craftsman.

**Representative Management.** — Living in a democracy as we do, it should be easy for us to understand the principle of representative government, the choice of a few to exercise the powers which belong to the many. These chosen few are supposed to represent fairly the many who select them. The principle is good though it does not always work out just as it should.

In somewhat the same way the large industries and the extensive business enterprises are coming to be managed by representatives. The few who actually decide all of the important questions of trade and manufacture represent the interests of labor; represent the various forms of capital; and represent the commercial, or marketing, or distributing interests.

*Representatives of labor.* — It must be confessed that labor has had difficulty in securing direct representation for itself in the management of industry and business. In other words, the few who run, or manage, the business do not care to take into their group, as one having equal power with them, some representa-

tive chosen directly by the workmen to look out for their interests.

What labor has been able to do more and more frequently, is to have something to say about the price of labor, and hours of labor, and the conditions under which the worker is to do his work. There are some, however, who believe that labor should be represented in the management of the whole business enterprise, not merely in the settlement of labor questions.

*Representatives of capital.* — To-day the balance of power is with capital, and the capitalists are able to manage a considerable share of the large business undertakings of the country. How do they do it? There are two methods chiefly, namely, management through the control of money, and management through the control of market opportunities.

**Management through the Control of Money.** — It is possible for each boy in the class to save money and probably many of you have done so. You would be surprised to see how soon you could have fifty or one hundred dollars in the bank if you set yourself to it and refused to consume any of your small earnings except when it was absolutely necessary. The experience would be a good thing for you and a good thing for the country.

In 1910 there were in the United States 10,918,225 young people between fifteen and twenty years of age. If each of these young people had saved $50, the total amount of money possessed by them would have been very great.

If they could have found a single representative to

take all their money in trust and apply it to some form of production, they would be operating one of the largest industries in the country to-day.

But these young people were widely scattered and of course had no chance to get together in this way. If it had been possible to combine all their money in one fund they would not have been able to agree on a representative, or on the kind of business into which they would put it. But money like this, scattered all over the country in small amounts, does get into industry, and does earn a dividend for its owners. How is it brought about? There are two ways chiefly, through the banks and through the stock companies.

*By means of banks.* — In the last chapter we read about a manufacturer who borrowed money at a bank. Whose money was it? It is possible that some of it belonged to James, who is a member of our class. James had one hundred dollars which he put in the savings bank intending to keep it there in order that he might receive his 3 per cent interest. But very likely James' bank loaned his money to another bank at a rate of interest a little higher than that paid to James, perhaps at 3½ per cent. This bank may have loaned to another bank or, perhaps, to the manufacturer of sleds. Thus the banks deal in money, loaning it to other banks, to individuals, or to corporations. The bank is managed by a board of directors and, in theory at least, these directors are expected to represent the depositors.

Just as with individuals, some banks are more powerful than others and there is always a chance that there is *one* bank, or one *group* of banks, with greater strength and with a wider circle of influence

than any other bank in the country. The directors of this bank will have great influence over the directors of the smaller banks because at some future time the smaller banks may need to get credit, that is, they may need to borrow money of the strong bank. In this way the directors of the largest banks control, directly and indirectly, enormous amounts of money.

Money is not always loaned at the same rate of interest, since it is easier to get at one time than at another. Then, too, the risk may be greater in one business than in another and the rate for that business, therefore, may be made somewhat higher. These questions are all decided by the bank directors who, therefore, have much to do with fixing the "price" of money.

Thus the directors of a bank may have a great deal of influence on the management of a corporation's business merely by letting the corporation have money when it is needed or by refusing to do so, or by loaning the money at a low rate of interest or by charging a high rate. A business man or a corporation may be saved or may be ruined, in time of business depression, by the willingness of the bank to lend money or by its refusal to do so.

Simply by extending credit, or by withholding it, the banks can sometimes manage a business, an industry, or a railroad as surely as if they owned it. So powerful have the banking interests become, that the United States Congress recently appointed a committee to see if there was, indeed, a money trust.

*By means of stock companies.*—Another way in which the small savings get into business and come under the

control of the capitalists is by means of the stock company.

Suppose that five men have $100,000 each, or a total of $500,000, and that they want to start a shoe factory for which purpose they need twice that amount or $1,000,000. They may ask from the state the right to form a " stock company " and issue 10,000 shares of " stock " valued at $100 a share. They can then take for themselves 5000 shares, paying in their $500,000, and can sell the remaining 5000 shares to anyone who will buy them, and in any number from one share up. Anyone who has $100 can buy a share.

Let us suppose that the stock goes to a large number of small holders, say one thousand purchasers each buying five shares. The five men who organized the company have the same amount of stock and would be entitled to the same representation or power in the company as the one thousand small stockholders. If the five bought, in addition, only one of the second 5000 shares, they would have a majority of the stock and so could control the whole $1,000,000 capital and the company.

If the business is successful and the management is honest, there will be paid, out of the profits of the business, a dividend of perhaps 6 per cent per annum. This is payment to the stockholders for the use of their money and it corresponds to the interest which a bank pays to a depositor for the use of his deposits. If the business is not successful the stockholder may get no dividends whatever, and if the management is dishonest he may even lose all that he paid for his stock.

For this reason one expects to get more in dividends from the stock company, which is a somewhat uncertain enterprise, than he does in interest from the bank, which is rather sure to be safe. For this reason, too, the value of stocks may go up or down, and a share bought for $100 to-day may be worth only $80 next year. On the other hand, it may be worth $120. This makes the bank the safest place for the small investor to put his savings.

The stock company is a corporation, chartered by the state, and controlled by a board of directors. These directors are elected by the stockholders, but it generally happens that the majority of the stock is held by a few relatively rich people, while a large minority is held by a large number of small stockholders. This illustrates the two points made above, first, that the small savings get into the large business enterprises, and second, that the capitalists manage this accumulated capital.

**Management through the Control of Market Opportunities.** — There are other ways by means of which the rich minority manage affairs of vital importance to the relatively poor majority. Of these the most important is to control the chance of the producer for getting his goods to the consumer. This is done by different methods, but perhaps the most effective are the crushing of a competitor by combination with others, and the securing of special privileges for one's own business.

*By means of combination.* — Business is naturally competitive. If all the flour in the country were manufactured by ten flour mills, each mill owner

would try in every possible way to get his wheat cheaper than the others. He would try to mill it with less labor, and to find a way of getting it to the family with fewer profits to railroads, carters, wholesale dealers, and grocers than any of his competitors. This would enable the successful mill to undersell the others and increase its business. But all the other mills would be trying to do the same thing and the result of such competition would probably be to cut profits for all.

Under these circumstances two or three of the largest mills might " combine " to control the flour business. By combining they could reduce the cost of running the business by getting a better price on wheat; by dividing the sales territory between them, each of the three mills being given a certain section of the country; and by combining on their advertising, a large expense in most industries. Possibly the advantages gained in this way would make them just strong enough to drive the other seven mills out of business, or to force them to come into the combination at terms dictated by the three large companies. With all competition out of the way there is little difficulty in gradually advancing prices until profits are generous. Thus the large combinations, or " trusts " as they are popularly called, manage a very considerable part of several important industries.

It should be said that, in many ways, combination is better than competition. Competition is often wasteful and nearly always forces down the price of labor. It may cheapen the articles as well as the price, and lead to all sorts of sharp practice in selling the product. The big combinations, if properly regulated, may be a positive advantage to all.

*By means of special privileges.* — The large manufacturing concerns are now generally stock companies managed by capitalists who have powerful friends among the banking interests. This friendship they are inclined to use in order to get special privileges in manufacturing and marketing their goods. Anything which will help these manufacturers to get their goods to the buying public a little cheaper than others will, of course, give them special market opportunities, and this advantage is eagerly sought.

There have been various ways of getting such advantages, but one of the most effective was to secure special freight rates from their friends the railroads. For example, we may imagine that the three flour mills, which combined against the other seven, made an agreement with one of the railroads to send all of the flour which they shipped between Minneapolis and Chicago over its lines. In return the road would promise to give the " combine " a rate a few dollars a car less than that given any other shipper. This would be a special privilege to the combine and would give it considerable advantage over the other seven mills in marketing the flour.

This is called " discrimination in freight rates " and is now prohibited by the Government. A railroad, however, may provide one shipper with freight cars and keep another waiting, or it may haul the cars of one shipper with fewer delays on side tracks and or the yards. When prices are falling, a delay of two in three weeks in getting his goods on the market may cost the shipper all his profits. Any delay in perishable freight is especially costly. Such discrimination,

also, is contrary to law, and court records show relatively few instances of it in the bulk of railroad business now carried on.

Another way to get an advantage is to secure a rate lower than that given a competitor either on the raw material or on some necessary supply such, for example, as coal. When a relatively small group of extremely powerful men controls the banks and the railroads, and owns large interests in the mines and other natural resources, there is undoubtedly great temptation to extend these special privileges to personal friends and close business associates. The United States Congress has passed laws against some forms of special privileges, thus showing that such privileges really have been given, and that such practice is not considered fair business.

As stated before, combination has greater possibilities for social good than has competition. The next step in economic progress is to bring about "coöperation" instead of combination. Every special privilege granted to a favored corporation is an example of coöperation and shows how society may reduce the cost of production and distribution whenever it is ready to coöperate. But to be truly successful it will mean, in the end, the intelligent coöperation of us all.

## SUGGESTED PROBLEMS

Select some business enterprise, perhaps the one on which you reported in connection with the work of Chapter IV.

Learn what you can about the way in which the affairs of the business are managed. Is the business controlled by a stock company, a firm, or an individual?

Look up some stock company and find out the amount for which it is capitalized and also ascertain the number of stockholders.

If possible get a copy of the annual report to the stockholders of some bank by its directors, and also secure a copy of the report of the bank to its depositors. What conclusions would you draw from a comparison of these two reports?

## QUESTIONS

1. Why could the farmer-craftsman manage his own manufacturing business himself?
2. Why is it that one man cannot manage a business in that way to-day?
3. What is the meaning of the expression "marketing the product"?
4. What is meant by the term "estate"?
5. Why might it be difficult to buy land from an estate?
6. What is a democracy?
7. What is meant by representative government?
8. What is meant by the term "large scale production"?
9. How do the small savings get into industry?
10. Have you any money in the bank?
11. What kind of a bank is it in?
12. What rate of interest does the bank pay?
13. Do you know of any other kind of bank?
14. Why does the bank charge the borrower more interest than it pays to the depositor?
15. Why does the rate of interest vary?
16. Why can the directors of a large bank influence the directors of a small one?
17. What is a stock company?
18. How are the directors chosen?
19. What is meant by a majority of the stock?
20. What is a dividend?
21. What is meant by 6 per cent dividend per annum?
22. What is meant by the terms "producer" and "consumer"?
23. What is meant by the popular term "trust" or "combine"?
24. What is meant by discrimination in freight rates?

25. What is a shipper?

26. How can a railroad favor one shipper at the expense of another?

27. Is this practice right? Why?

28. What is meant by the terms "competition," "combination," "coöperation"?

# CHAPTER VI

## THE MODERN BUSINESS OF PRODUCTION AND DISTRIBUTION

I. Modern Business.
II. The Modern Farm.
  1. Extensive farming. The farm, equipment, and crop.
  2. Conditions of labor in extensive farming.
  3. Intensive farming. Location and crop.
  4. Intelligent labor needed. Agricultural education profitable.
III. The Modern Factory.
  1. The building and mechanical equipment.
  2. The employees.
IV. The Railroads.
  1. Financing the railroads.
  2. Inter-state regulations.
  3. A common carrier.
  4. Who owns the railroads?
V. The Modern Department Store.
  1. The building.
  2. The employees.

**Modern Business.** — Perhaps when you are older you will study the science called economics. This science deals with the means and methods by which mankind earns a living by developing the natural re-

sources of the earth and by producing and distributing wealth.

Whether you study this science or not you will know something about economics if you remember what you have learned from the preceding chapters. There are many people who know a great deal about dynamos and electric motors who have never studied electricity *as a science*, yet their knowledge may be useful to them and to the public. The same may be true regarding the *economic facts* about which you have been studying. They will be valuable to you even if you do not study economics in school or college. You must be sure, however, that the facts are real, and it will be well, therefore, to look about us and find some illustrations of these facts in the present-day business organizations of the country.

As we have seen, most people are hard at work earning a living. They do it in many different ways, but the large majority are engaged in some kind of business, that is, in the production and distribution of the goods which people need for the support of life, or which they desire for comfort or pleasure.

The whole field of modern business may be shown in the following outline:

MODERN BUSINESS

*Production:*

(*A*) Farming; Mining; Lumbering; Grazing; Fishing.

(*B*) Manufacturing the finished product.

*Distribution:*

(*A*) Transportation.

(*B*) Selling to the consumer.

The items which it will be most profitable for us to study at this time are farming, as illustrated in the modern farm; manufacturing, as illustrated in the modern factory; transportation, as seen in the modern railroad; and selling to the consumer, as illustrated in the modern department store.

**The Modern Farm.** — There are two types of modern farming in the United States to-day, but they differ in many important ways. One is spoken of as "extensive" and the other as "intensive" farming. It is hard to say which is more important to the development of the country at large, but the latter offers a better opportunity to the man of small means who would rather work for himself than to work for an employer. Many city-bred boys, as well as boys on the farm, are now studying in order that they may take advantage of this opportunity.

The illustrations opposite, used by courtesy of the International Harvester Company, show one of the many contrasts between intensive and extensive farming, the contrast in the implements used. Frequently, on the small farm, the walking plow is still in use, while, on the broad farms in the wheat belt, mammoth tractors draw gangs of from 4 to 16 plows at once, making furrows of from 4½ to 60 feet wide in one operation. In the latter case the gang of 52 plows is drawn by 3 tractors.

*Extensive farming. The farm, equipment, and crop.* — Extensive farming requires the investment of a large amount of capital in land, in expensive and specialized farm machinery, and in ready money with which to pay for planting and harvesting the crops and for

HAND PLOW.

PLOW DRAWN BY TRACTOR ENGINE.

meeting the running expenses of the farm while holding crops until they can be marketed.

Extensive farming generally means that a staple crop is raised, such as wheat or corn, and that the farm is to be found only in that part of the country which seems to have been intended by nature to produce that particular kind of food. For example, the expression "the corn belt" means that part of the country where corn is grown in large quantities most successfully and with the least expense for fertilizer and labor.

*Conditions of labor in extensive farming.* — The owner may or may not live on his farm, for most of the work is done under the direction of highly trained and specialized managers, superintendents, and foremen, while many of the laborers are transients, being hired only for a short time and for a particular job. For example, when the crop is ready for harvest, and so must be handled quickly, a large number of men must be employed, but they will be kept only as long as may be necessary for this particular piece of work.

On the great Dakota wheat farms the work is done largely by machinery. The reaper works sitting down, while the thresher is a machine hand, tending a machine. In addition to the superintendents, foremen, and laborers, there are bookkeepers, engineers, machinists, and stable hands. The farms are so large, ranging from 3000 to 10,000 acres, that crews of workmen, working at different ends of the field, may never meet in a season. It is plain that the proportion of farm owners to farm laborers must be very small under these conditions.

*Intensive farming. Location and crop.* — During the past few years, however, much progress has been made in so developing the science of agriculture that a man can earn a good living on a small farm, one of from twenty to forty acres. But to be able to do this several things are necessary. The farm must be so located that the products can be marketed by the owner himself in a near-by market, or can be handled by an association of farmers for a more distant one. It is also necessary to raise a variety of crops, rotating them from year to year in order that one crop may put back into the soil some of the elements which another crop has taken out, and thus prevent impoverishment of the soil.

Intensive farming requires the most economical use of all available land. In Japan, a volcanic country where land suitable for farming is not plentiful, some crops are set out with so little space between the plants that the farmer cannot step on the ground without crushing them. When weeding or cultivating the crop, he walks on boards raised slightly above the ground, but with space enough between them to give him a chance to work. This is one reason why the Japanese are raising larger crops per acre, on land that has been worked for centuries, than the American farmer is raising on the best virgin soil of Wisconsin.

*Intelligent labor needed. Agricultural education profitable.* — Intensive farming requires a smaller proportion of transient and seasonal labor, since the various crops are planted, cultivated, and harvested at different times. There is also need of intelligence and training on the part of nearly all of the farm hands

FACTORY. THE McCORMICK WORKS, INTERNATIONAL HARVESTER COMPANY, CHICAGO.

and the owner will find it advisable to keep in close touch with the work every day.

The farmer who would succeed with intensive farming must study all conditions most carefully in order to learn about the nature of the soil, and for what crops it is best fitted, and to find just the right kind of fertilizers and learn how and when to apply them. He must study and experiment with the methods of protecting the crops from excessive heat and from late or early frosts, from insect pests, and from too much or too little moisture.

The science of agriculture is receiving more attention to-day than ever before. Instruction in agriculture in the rural schools is required by law in some states, and many high schools in all parts of the country have introduced agricultural courses. The agricultural courses in colleges and universities, and the work of the United States Department of Agriculture, are still further developing the science and making intensive farming more interesting and more profitable year by year. In fact, farming is rapidly becoming both a science and an art, — a science to be studied and an art which requires much careful practice. When both study and practice are devoted to the task, intensive farming promises ample rewards.

**The Modern Factory.** — More and more the mechanical work of the world is being done in the factory. Articles which a few years ago were made in the small shop or were prepared in the home itself are being turned out in quantity by machines and shipped directly to the consumer. It is important, therefore, that all should have some information about factory work and factory conditions.

*The building and mechanical equipment.* — Next to the modern schoolhouse, the most wonderful buildings erected in the United States during the past ten years are the modern factory buildings. It must not be understood that most of our factories are modern, but manufacturers are so sure that the modern factory is economical that new plants are rapidly replacing the old. We may therefore study the new factory with the certainty that it represents a practical ideal.

These new factories are very large, frequently occupying several buildings and covering many acres of ground. The Western Electric Company has seventy-five buildings in its Chicago plant, aggregating one hundred and ten acres.

The new factory is well lighted by large windows, for daylight costs less than electric light and the workman can do more work under the more natural conditions. For the same reason it is also well heated and ventilated.

The different rooms are equipped with wonderful automatic machinery which requires comparatively little skill on the part of the workman who generally only " feeds " or " tends " his machine. While each machine is complicated and expensive, it does only one small part of the whole process. For example, one of the many machines used in making a pair of shoes merely trims the heels. To make an ordinary shoe there are over one hundred and fifty different operations, and although each operation does not require a different machine, the number of machines is great.

The power to run all this machinery is generated in the power house, which is equipped with furnaces,

boilers, steam engines, and dynamos. More and more the power is carried direct to the separate machine in the form of electricity, each machine having its own motor. This does away with dangerous belts which were formerly used to carry the power.

In addition to the rooms where the manufacturing is done, there are offices, experimental laboratories, drafting rooms, storerooms, packing and shipping rooms, wash rooms, rest rooms, a model hospital room, and sometimes kitchens and lunch rooms.

Spur tracks from the nearest railroad bring the freight cars directly to the yard or even into the buildings. Raw material is thus received and the finished goods are delivered with the least possible delay and labor.

*The employees.* — To keep this great plant running perhaps thousands of men are employed. The Western Electric Plant, referred to above, frequently has from eight to ten thousand men, women, and boys at work. But whether there are two hundred or two thousand employees, the following classes of workers will be found in the new factory.

It should be remembered that this factory is owned by a stock company, and that the manager and superintendent are as truly employees as are the bookkeepers and errand boys. The real employers are those who own the stock of the company and there may be several hundred of them. The directors of the company are the representatives of the stockholders, and the general manager is directly responsible to them. We may say that the general manager is the highest officer in charge, for the directors may never visit the plant.

So at the top is the general manager. Under him come the superintendent of works and his various assistants, the heads of the engineering and directive departments. They have charge of the installation and up-keep of the machinery; the receipt of orders and the "routing" of work; the hiring, instruction, distribution, and discipline of the men; the receipt of raw material; the inspection, packing, and shipping of the finished goods; and the cost accounting of all.

These men have come to their positions in different ways, but we are rapidly approaching a time when the way will be open only to the graduates of technical colleges. The salaries vary but may be said to run from two to ten thousand dollars.

Next to the manager and his assistants come the foremen, room or gang bosses, machine repairers and the like. These men are generally experienced workmen who have come up through the ranks. They have frequently raised themselves by night study in evening or correspondence schools. A few high schools are now giving the foundation for work of this kind, and more and more this school training is being demanded by employers. The wages paid by these positions are not likely to go much above $1800 or $2000 a year and they are frequently less.

By far the largest group is that of the workmen. It depends upon the industry what the workman must know and how skillful he must be, but more and more the "skill" is in the machine and the workmen are only machine tenders. Little training is needed for this work and little advance is possible for the majority, since the work done does not fit the worker for the

position just above. Then too there are so few places above as compared to the number of workmen in this group that even if they were all filled from below only a small minority could get the promotion.

The wages of this last group are small even compared to the pay of the foremen. Machine tending can be done by women and children in many industries. This tends to keep down wages, both of the children and of the men. The vast majority of wage workers in factories, including children and adults, average less than $1000 a year, while many adults receive as low as $1.25 or $1.50 a day for working days only.

In addition to these three classes of employees may be mentioned also the following: perhaps a staff of scientists or inventors; representatives of the sales department; the clerks in the offices; doctors and nurses; possibly a staff of teachers; as well as janitors, engineers, and firemen, caretakers, watchmen, and messenger boys.

The chart on page 63 shows a typical organization of the modern industrial establishment. It is adapted from one of many charts used by Professor Dexter S. Kimball, of Cornell Univesity, in his works on industrial management.

Some factories offer a better chance for young workers than others. In general it may be said that the chance is best in the factory which employs more men and fewer boys; which fills its higher positions by promotion from below instead of from outside; which has an educational department; which has no child labor; which has no dull season; and which has a large proportion of employees who have been long with the

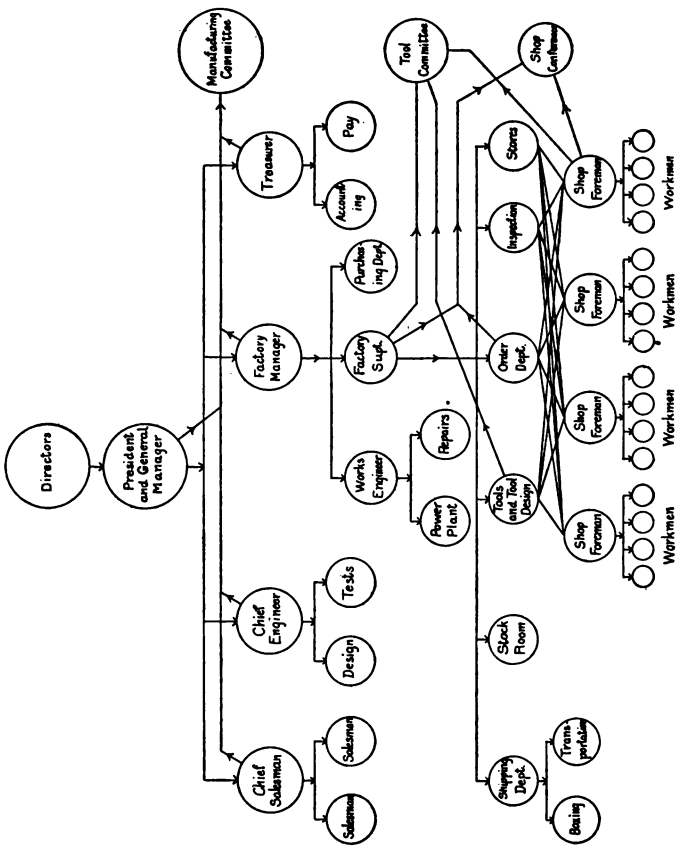
company. A position which offers low wages at first, with plenty to learn and with a good chance for promotion, is better than one which pays a relatively high wage at first and promises little advance.

**The Railroads.** — There are few business enterprises more important to our country than the railroads. While there is considerable water transportation in the United States, the railroads are the principal carriers. Shoes made in eastern Massachusetts, at the rate of thousands of pairs a day, are sold in Indianapolis, Kansas City, Lincoln, and Denver, while oranges and other fruits grown in California are sold daily in New York and Philadelphia. Wheat raised in the North Central states and milled in Minneapolis is sold in every city and town in the country. This would be difficult and, in the case of perishable fruits, impossible if it were not for the swift railroads.

The railroads develop the country through which they run, while the country, in its turn, supports the railroads by paying freight on the supplies which it receives, and by raising a product to send over the lines of the roads to distant purchasers. Thus a road is not well supported in a territory where few people live and where little is produced for the outside world. But the railroads must run through these miles of undeveloped country until business is created. All this requires a great deal of money.

*Financing the railroads.* — Where does all the money come from with which to build and operate the thousands of miles of railroads in this country?

In the early days of railroad building the Federal Government and many state governments gave the




A TYPICAL ORGANIZATION FOR A LARGE INDUSTRIAL ESTABLISHMENT.

railroad companies a great deal of land. This was a good thing for all concerned. Besides this the people, at times, put their money into some proposed road which would be of especial benefit to their city by connecting it with other points. This they did by buying the stocks of the road, for railroads are operated by stock companies. Others bought stocks as investments. Thus the capital of the railroads was made up of land grants by the Government or the states, and money contributed by the stockholders.

Of course, if the road is successful it will soon begin to earn money from its freight and passenger business and may be able to pay 6 per cent, 8 per cent, 10 per cent, or even much more in yearly dividends. The directors must not pay out all of the earnings in dividends, however, for as the road's business grows it will have to add to its equipment; that is, it will have to build or buy new locomotives, freight and passenger cars, freight houses, repair shops, and passenger stations. It will also wish to open up new territory by putting in new branch lines, or to improve its service by double tracking the road. As the road grows it will probably wish to increase its capital by new loans; that is, it will wish to secure from the state the right to issue and sell new stock.

At times serious mistakes have been made in the management of the vast wealth invested in railroads, and the people who invested have lost heavily, but, on the whole, the roads have been among our greatest influences for progress and have been worth all they cost. By still better regulation they will serve the country even more effectively.

*Interstate regulations.* — Like all stock companies the railroad must have a charter obtained from the state. But a road generally runs through several states and must obey the laws of each state as it passes through. For example, a road may run from Indianapolis, Indiana, to Kansas City, Missouri, of course passing through Illinois. Illinois may have a law forbidding the use of the common drinking cup, while Indiana and Missouri may not. As the train crosses the boundary and enters Illinois the train men remove the drinking cups and then put them back in place again as the train leaves the state. This was a common occurrence in the early days of the crusade against the drinking cup.

There are state laws relating to many railroad questions but the most important, perhaps, are those regarding passenger and freight rates. One state may forbid any road to charge more than two cents a mile for carrying a passenger, while another may permit a charge of three cents. You can see what complications might grow out of these varied rates in fixing the fare, let us say, from Indianapolis to Kansas City. To help in this matter the Federal Government created an Interstate Commerce Commission. While the Commission has no jurisdiction over what the road may do in any one state, for that would be interfering with the state's rights, it may dictate on questions concerning two or more states. It has done a great deal of good in fixing freight and passenger rates, and in stopping " discrimination " in rate making.

*A common carrier.* — You may wonder why the railroads may not run their business as they please.

Why may they not charge whatever rates they wish? The chartered shoe manufacturing company can charge as much for shoes as the public will pay, why not the chartered railroad company?

The railroad, when granted a charter to operate a road between two points, is practically given a "monopoly" of the business along its line. Of course another road might be built parallel to, and close beside the first road, but the state does not look with favor on such practice since it would result in wasteful competition. Then too, the first road can do all the business of the territory and a second road might not be able to earn its expenses. Since the road is thus given a monopoly, its charter provides that it must treat all people alike. The road cannot be allowed to carry John one hundred miles for two dollars, and to charge James three dollars for the same service, and, perhaps, to refuse to carry William at any price. Since it must treat all alike, the railroad is said to be a "common carrier."

*Who owns the railroads.* — The railroads represent the people's money more nearly than do the other great activities of the business world. When one of the great railroads paid its dividends in 1916, the money went to 90,772 stockholders. These were not all rich men, for over 26,000 of them owned ten shares or less. There are said to be 630,000 owners of American railway stocks.

But this is not the most important way in which the people are financially interested in the railroads. The money of the people went into the roads in the first public land grants. The people's money also goes into

*Courtesy of John Wanamaker.*

INTERIOR OF THE CENTRAL COURT OF A MODERN DEPARTMENT STORE

the roads whenever anyone buys an article on which freight has been paid. In a very genuine sense, therefore, the roads belong to the people and the people must learn how to regulate them even better than at present by means of state and Federal laws.

**The Modern Department Store.** — When the goods have been manufactured and have been carried to the city or town, they must then be displayed in such a way as to induce the people to buy them. In other words they must be put in the stores to be sold. More and more this " retail " business is being done by the large department stores. Where formerly there were many small stores, each with its own proprietor who owned the business, the goods, and perhaps the store itself, and who hired a few " clerks " or salesmen and saleswomen to help him, there is now the enormous establishment known as the " department store," owned, very likely, by a stock company exactly the same as the factory or the railroad.

*The building.* — The modern department store is a marvel in organization and the building is planned especially for its purpose. In the basement are all the conveniences for unpacking the goods to get them ready for the different departments, and later for packing them again for delivery to the customers. Trucks, chutes, and freight elevators help to make this work easy.

Probably toward the top of the building will be found the offices and the rooms for the accountants and bookkeepers, fitted with cash carriers and internal telephones to every part of the store.

There are many rooms for the comfort and con-

venience of the customers, including a finely equipped restaurant, writing room, telephone room, and rest room.

The remainder of the store is devoted to the display of goods, so arranged as to show the greatest variety, with the least possible effort on the part of the customer. The showcases and windows are especially designed for this purpose and the attractive arrangement of goods is almost a fine art.

The departments are numerous and it would seem as if almost any wish of the customer could be supplied in one store. In addition to the "dry goods," which were shown by the merchant of thirty years ago, the modern department store supplies millinery, gowns, clothing for boys and men, shoes, house furnishings for every part of the home, outing supplies, sporting goods, hardware, and sometimes groceries, meats, and drugs.

*The employees.* — In active direction of the store is the general manager. He is not the proprietor, as a rule, but a trusted, efficient, and highly paid employee. His salary may be increased by a percentage on the business for the year and his total income may run up to $25,000 or more.

Directly under the general manager come the "heads of departments." Frequently these men or women have had large business experience and often have been proprietors of smaller stores. They find the position of employee more satisfactory because the large store is more certain of its business from year to year. While the department manager may not have a chance to make a large fortune, he is practically sure

of a good income as long as he manages his department well. His salary is large and, like the general manager, he generally receives a percentage on the business of his department.

An important position is that of "buyer." The great variety of goods shown makes it necessary for the managers to scour the markets of the world for their supplies. While the smaller department stores do much of their buying in New York, the larger stores send their buyers on regular trips, perhaps twice a year, to the country where their particular line of goods is produced. For example, they may go to Paris for ladies' gowns, to England for men's hats and gloves, and to Italy or the Orient for various kinds of art products.

The largest group of department store workers is composed of salesmen and saleswomen, office help, stock boys and stock girls, packers and shippers, and mail order clerks. The pay received varies from two or three dollars a week for some of the boys and girls, to two or three thousand a year for some especially valuable salesmen. These higher salaries, however, are exceptional. In New York City, in 1912, 54.5 per cent of the saleswomen received less than eight dollars a week, while in Buffalo 80.1 per cent were in this class.

The majority of workers in department stores are women and girls. In nine of the largest cities of New York, in 1912, 61.5 per cent of all department store employees were women, and 5.6 per cent were boys and girls.

In addition to low wages, the department store

frequently has the disadvantage of long hours and bad air. In the better stores, however, the hours are good, the conditions are healthful, and the surroundings are agreeable. But even here the wages are not attractive for the young person who must earn enough to pay his full living expenses during the first years of employment.

These facts and figures are taken directly from the Second Report of the New York State Factory Investigating Commission. They reflect, of course, average conditions rather than those to be found in the largest and best department stores. The conditions of work and the opportunities for employees in large modern establishments are greatly in advance of the average and, undoubtedly, mark the progressive tendencies of the present day.

It is difficult to estimate the influence which the department store has on the production and distribution of goods, and on the lives of the people. Of course it increases consumption, by developing new wants, and so reduces the cost of commodities. On the other hand it induces us to buy many things that we do not need just because they are displayed so attractively and in such variety. On the whole, because the new way is "more economical" it will last and we shall learn how to use it to the advantage of all.

## SUGGESTED PROBLEMS

Find out, by consulting the United States Census Reports, which is increasing more rapidly, the rural or the urban population.

Also find out which is increasing more rapidly, farm ownership or farm tenantry.

Make a list of the opportunities for employment afforded the young people of your community by (*a*) the farm. (*b*) The factory. (*c*) The railroads. (*d*) The department store.

Work out for any one occupation a line of advancement which a young employee may reasonably hope to follow.

## QUESTIONS

1. What is meant by production? Illustrate.
2. What is meant by distribution? Illustrate.
3. What are the important differences between extensive and intensive farming?
4. What is the Department of Agriculture doing to help the farmer?
5. How could a boy with a good agricultural education and a capital of $1000 best make a beginning in order to own his farm some day?
6. What is the definition of the word "factory"?
7. How does the modern factory differ from a "shop"?
8. By whom is the modern factory generally owned?
9. Who manages the factory?
10. What is meant by "automatic machinery"?
11. Can you tell about any such machinery?
12. What do you think about the opportunity for advancement for the factory worker?
13. Has education anything to do with this opportunity?
14. Who owns the railroads?
15. How do the owners receive their profits?
16. What is the board of directors?
17. How are the directors chosen?
18. How are the railroads regulated by the public?
19. What is meant by retail? By wholesale?
20. Do you know anything about any wholesale business?
21. Is a department store a wholesale or a retail store?
22. How many kinds of merchandise have you ever seen in a department store?
23. Do you know where any of these goods were made?

24. Do you know the conditions under which they were made?

25. Can you mention any that may have been produced, wholly or in part, by child labor?

26. If a boy goes to work as a bundle boy in a department store, what are his chances of becoming a department manager? A general manager?

27. Why are wages of saleswomen in department stores so low?

28. Why does increase in consumption mean decrease in cost of production?

# CHAPTER VII

## SOME ELEMENTARY SOCIAL FACTS

I. The Social Sciences.
II. Society must Control.
    1. Society controls all for the benefit of all.
III. Methods of Control.
    1. For the corporation.
    2. For the individual.
    3. Control by laws, customs, and institutions.
IV. Our Challenge.

**The Social Sciences.** — In preceding chapters a number of facts have been discussed. Generally speaking, these facts have been used to illustrate certain principles of economics, a science, so we have learned, which treats of the means by which individuals earn a living. In this chapter, and in those which follow, the facts presented will serve to illustrate the simple principles of some of the other social sciences, such as sociology, political science, and history. If you will study the definitions of these sciences you will see how intimately they are all related and will understand that it is almost impossible to study one without touching upon the others. For example, we shall see that sociology is " the science that treats of the origin and history of society, . . . and the progress of civi-

lization." Political science is "the science of the organization and powers of governments and the mutual relations of citizens and the state," while historical science is "the science of events as constituting a course of history."

The central thought in all this is that human beings have a tendency to come together and form society. It is therefore important for us to understand the methods by which all individuals are held together in this relationship so firmly that they constitute a civilized, political, and social body.

**Society must Control.** — A man living alone in the middle of a tract of land twenty miles square may do about as he pleases without much consideration for other people. Of course, even under these circumstances a man is a member of "society," for society is large and powerful and has an extremely long arm. Still society has little interest in controlling or governing the individual so long as he keeps out of touch with the civilized world.

In primitive times, when half-savage men roamed at will through the forests, there was little restraint put upon them by society. There were no laws, except the natural laws, governing their individual action. The same thing is partially true in pioneer life in any country and in any time. Stories of the frontier days in our own country all show how freely men followed the life of their own choosing without interference from those living and working in the older and more thickly settled communities in towns and cities "back east."

But if two or three million people live together in this area twenty miles square, it is quite clear that so-

ciety must regulate, to some extent, the things which the individual may do and the way in which he may do them. By what means does society regulate your activities and mine? This is the question to which we must now try to find an answer.

*Society controls all for the benefit of all.* — We may get some light on this question by recalling what was said about regulating the activities of trusts and corporations. Such regulation is needed not because these business combinations are wrong or because they are bad for society, but merely because we *all* need to be guided more or less if we are to live among our fellow men. The purpose of such control is to leave each one free to live and grow as fully as possible without unnecessary and purely personal interference. It seems to be human nature for a man to get more than his share of good things if he can. History shows that there are almost always individuals in any community who will usurp the rights of others unless they are held back. They do this by exerting personal influence, by seizing political power, or by growing rich on the labors of others. Therefore society must regulate both the individual and the combinations of individuals called trusts and corporations.

**Methods of Control.** — But society has methods of regulating the corporation that are quite different from those used to regulate the individual, and we can see by comparing them how free the individual really is.

*For the corporation.* — A corporation is *chartered* by the state and it can do nothing, legally, except the thing or the things which the charter permits it to do. For example, a corporation which is chartered to operate

a railroad is not allowed to run a shoe factory, and a corporation which is chartered to operate a shoe factory cannot manufacture medicines. If it wishes to do so it must secure a new charter, which is not always an easy thing to do.

*For the individual.* — An individual, on the other hand, may do almost anything he pleases unless there is a law expressly forbidding him to do it. An individual who happens to be a shoemaker by trade may paint pictures or write books, and he may sell them too if he can find anyone to buy them, because there is no "law against it." But, in many cities, he is not allowed to practice medicine, or to install electric lights, or to teach in the public schools, because there are laws which provide that only those who have had certain training and hold certain certificates or diplomas may do these things.

*Control by laws, customs, and institutions.* — It is easy to imagine that there are a great many laws regulating individual action, but how many there are no one can tell. Each nation, state, city, and town may make laws to govern the individual, and for each law there is provided a possible punishment for one who breaks it. It might seem, therefore, as if we were in constant danger of being punished for breaking some law about which we know nothing. But this is not the case, for while few of us have any exact knowledge as to just what these laws are, there are also few who have to be punished for violating them. How does this happen?

While we may be more or less conscious of being restrained *by the law* from doing things which might

annoy or harm our neighbor, we are controlled more truly by our *habits of life*, by our *customs*, by *public opinion*, and especially by our *institutions*. Of these five restraining or regulating powers, the latter is by far the strongest, for our institutions have much to do with forming our habits, establishing our customs, and creating public opinion, that is, of causing a great many people to think alike.

For example, if you were asked the question, "Why do you go to school?" you would probably answer, "To get an education." You would not think of saying, "There is a law which says I must be sent to school and my father would be punished if he broke the law." Yet there *is* a law in most places which makes some such provision as that. Few parents, however, think of this law. They send their children because the school (the institution) is right there and because everybody goes. That is *habit*. Or the children are sent because all agree that it is a good thing to have an education. That is *public opinion*. But it is the school itself which has established among us the habit of going to school, and it is the school which has created this particular "opinion" on the part of the public.

Or again, why do we refrain from throwing rubbish in the street? Certainly it is not because there is "a law against it," though there probably is, but rather it is because we have come to like the orderly way of throwing refuse into the rubbish barrel, and because we know that the Health Department will remove it at the proper time. It is the existence of the Health Department, not the existence of a *law*, which induces us to keep the city clean.

Still, laws are necessary to restrain the few who would not control themselves, and so those who help to create customs and public opinion, and to establish our institutions, also help to make the laws. But while it is necessary for lawyers and judges and policemen to know the laws, it is better for us to study the institutions. It should be said, also, that the best government is the one that controls least by its laws and most through its institutions. In this respect we do much better to-day than formerly.

If we go back no further than the early days of our own country we can find times and places where the individual was subject to many personal restrictions as to what he might do or say. In some instances the law fixed the distance which a man was permitted to walk on Sunday; or prescribed the kind of clothes he might wear on certain occasions; or forbade him to speak of a magistrate or a minister in too critical a fashion; or sought to regulate his personal life as to what he should eat and drink and what pleasures he might seek. Not only did the law cover many points like the above but it provided for watching the individual to see that he obeyed it exactly. Church and town officers had the right to pry into personal matters in a way that we would not tolerate to-day.

But while we are more free to follow our own wishes in all personal affairs to-day, our acts are regulated even more minutely than they were in the colonial days. But they are regulated to-day by the laws which we have in our hearts and minds rather than by those on the "statute books." Since we know that these regulations are for the good of society and also for the

good of the individual, and since we helped to make them ourselves, we generally accept them willingly.

**Our Challenge.** — All history shows that wherever society has failed to regulate the activities of individuals for the good of all, there has resulted a dangerous amount of ignorance, poverty, disease, and crime which, in the end, has destroyed the society which permitted it to exist. History shows also that the palm for greatness has been held, for a time, by nation after nation and then has passed westward to new and more democratic peoples. The old monarchical systems, government by the few and for the few, are no longer effective and it remains to be seen whether a genuine democracy can hold the palm permanently.

To accomplish this end society must learn to control the individual by *preventing* ignorance, poverty, disease, and crime, which have been the enemies of society always and everywhere. This will be done most surely when our institutions, working all together, *promote* knowledge, well-distributed wealth, health, and morality.

Furthermore we shall see, as we study our institutions, that society has two means at hand for carrying forward the good work; one is *compulsion*, the other is *persuasion*. The first may be necessary for the ignorant and wrong-minded, but the latter has always been the most effective in American democracy.

## SUGGESTED PROBLEMS

Select some institution in your community and collect information that will show how effectively it controls individuals or the community as a whole.

Find an example of a law, still on the statute book, that has become a "dead letter" because it no longer has the support of public opinion.

## QUESTIONS

1. What is meant by the term "social sciences"?
2. What do you understand by society?
3. Why does society find it necessary to regulate human action?
4. How does society regulate a corporation?
5. By what methods does society control individuals?
6. Can you describe one law, one custom, and one institution?
7 What is meant by public opinion?
8. What is a statute book?
9. What are the worst enemies of society?
10. How may these enemies be overcome?

# CHAPTER VIII

## PUBLIC EDUCATION THE CURE FOR IGNORANCE AND POVERTY

I. Universal Education Needed for Democracy.
   1. Importance of literacy.
   2. Importance of ability to earn a living.

II. Compulsory Education.
   1. Compulsory school attendance.
   2. Child labor laws.
   3. Compulsory support of public schools.

III. Education through Persuasion.
   1. Public and private schools.
   2. The elementary school.
   3. The American high school.
   4. The evening school.
   5. The continuation school.

IV. Other Means of Free Public Education.
   1. Libraries.
   2. Museums, art galleries, and exhibits.
   3. Extension departments.

**Universal Education Needed for Democracy.**—Why does society wish *all* the people to be educated? History shows that there is but one sure way to combat those ancient enemies of society—ignorance and poverty. That way is to foster and promote public education for all.

Society, however, has not always held this view. In earlier days and under some despotic governments, certain of the people, especially the working classes, have been *forbidden* to go to school because the rulers knew that an ignorant body of workers could be controlled and exploited more easily than intelligent workmen. Sir William Berkeley, an early governor of the Virginia colony, had something of this idea when he said, "I thank God there are no free schools or printing, and I hope we shall not have these for a hundred years." He evidently believed that the private schools for the aristocracy would furnish all the education necessary in his colony.

In a democracy like the United States, where *all* are rulers, free, universal education must be provided. So instead of preventing the people from attending school, the Government tries to induce every citizen to get as good an education as possible.

*Importance of literacy.* — There are several countries, even to-day, where a large number of the inhabitants cannot read and write. In the United States there is some illiteracy, but a strong effort is made to induce everybody to learn to read. The country is so large, the inhabitants are so numerous, the interests and experiences of those who live in the different sections are so varied, some way must be provided for bringing all the people together in thought. The people who work on the great plantations of the South, the miners of California, Colorado, Minnesota, Michigan, Pennsylvania or Alabama, the farm laborers in the wheat and corn regions of the West and Northwest, the lumbermen of Oregon, Washington, or Wisconsin, the fac-

tory workers in New England, the North Atlantic States and the cities along the Great Lakes, the commercial workers in the cities, and the farmers everywhere, all these would have quite different ways of looking at events unless each class had some knowledge of the others. There must be some way of bringing this about, and we have come to believe that the best and surest way is through reading. The newspapers distribute much of this necessary information, but newspapers would be of little use if people had not formed the habit of reading. With this habit well formed, there will be some education in common, a thing which is so necessary to the preservation of a democracy.

*Importance of ability to earn a living.* — Not only must all people be able to read and to understand something of the conditions existing in all parts of the country, but each one must be so efficient that he can support himself and not be a burden on society. In all times the question of "poor relief" has been a problem which the nations have had to face, but it has never been solved satisfactorily. Sometimes, in the far-off past, people have thought that the poor should be punished, unless they were also sick or infirm. Frequently these punishments were very severe, even the death penalty being provided for the sturdy beggar who was repeatedly caught begging on the highway. At other times the poor have been made the objects of charity both private and public. Now society is coming to see that the only right way of meeting the difficulty is to furnish freely a public education and training so varied that all may have a fair chance to become economically efficient.

Each individual, therefore, should be so well educated that he can understand what his rights and his duties really are, and should be trained so well that he is efficient enough to demand his rights and to perform his duties willingly. We should remember that all this is to be done for the good of *society*, not merely for the good of the *individual*.

How does society work to accomplish these ends? It tries to induce the individual to become educated and skilled by *compulsion* and by *persuasion*.

**Compulsory Education.** — Society is not willing to leave so important a matter as education to the whims and opinions of its individual members and so, first of all, it compels all children to go to school for a certain specified time.

*Compulsory school attendance.* — Each state makes its own laws regarding education and no two have exactly the same laws. A few states have no compulsory education laws, but most of the states require all children between seven and fourteen years of age to attend school while it is in session. In a few states children must attend school until sixteen.

Many states have special laws for children between fourteen and sixteen. In some places they must be in school if not at work. In others it is provided that, if children of this age are at work, they must attend continuation school for four or five hours a week while the schools are in session.

*Child labor laws.* — Society has also tried to promote education by forbidding children of school age to work while the schools are in session. This leaves the children free to go to school. The great value of such a

law is seen by studying the conditions of children at work in the mills and factories of those states which have no prohibition of child labor. Children of ten, eight, and even six years of age are sometimes employed in these mills and factories.

There are no two states which have exactly the same child labor laws, but, in general, they cover four points.

First, the laws are intended to keep children out of any kind of " gainful employment " while school is in session, until they have a certain amount of education, and until they are large and strong enough to work without harm to themselves. The age at which children may work is generally fixed at fourteen, and the amount of education required is the completion of the fifth, sixth, seventh, or eighth grade, varying with the different states.

Second, the laws are intended to regulate the work of children between fourteen and sixteen years of age by keeping them out of employments dangerous to life, health, or morals. Some of these prohibit such children from running dangerous, power-driven machinery, from working in mines, from working where paints are made or dangerous acids are used, and from working where liquor is sold.

Third, the laws regulate the hours of labor, generally limiting them to eight hours a day, and forty-eight hours in any one week.

Fourth, the laws prohibit any kind of night work, providing that no child shall work before seven o'clock in the morning or after seven in the evening.

*Compulsory support of public schools.* — Very early in the history of the Massachusetts colony a new prin-

ciple in school support was established, and it has since become universal throughout the United States. The principle is that all the property of the town may be taxed for the support of public education for all the children of the town.

The states might have adopted a principle quite different from this wise measure. They might have compelled each family to pay for the education of its own children. Or they might have decided to levy a general school tax and to excuse from paying it, all those who sent their children to private schools. Or they might have followed the early plan of one of the other colonies, where it was assumed that all well-to-do people would educate their children without compulsion. In this colony laws were passed requiring that all poor orphans, the children of the poor, and the children of all convicts should be taught to read and write at public expense. This, of course, made *public* education a kind of *charity*. But the new and far-sighted policy of Massachusetts has been adopted by all of the states and now, as a result, public education is supported more liberally in the United States than in any other country.

Thus society uses three forms of compulsion to insure a widespread education. It compels school attendance. It compels children to refrain from spending in the factory, mill, or shop, the years which are best for education. It compels the whole community to tax itself to support the schools.

**Education through Persuasion.** — Society is not satisfied to use compulsion alone. It has succeeded with compulsory education to a great extent but it has

succeeded even better by making the pathway to knowledge and efficiency an agreeable and desirable road along which many will gladly travel if they have an opportunity.

*Public and private schools.* — One way to persuade people to go to school is to make the schools fine and attractive. There have always been private schools in this country and many of them are excellent. In some of these private schools the tuition amounts to $200, $300, or $400 a year for each pupil. Yet there can be no question that our best public schools, with the tuition entirely free, equal any of the private institutions.

There was a time in the history of Massachusetts, before Horace Mann did his great work for public education, when the relation between public and private school support stood as follows:

| *Of all children in school,* | *Of the support given to all schools,* |
|---|---|
| Private schools had 17 per cent. | Private schools received 41.2 per cent. |
| Public schools had 83 per cent. | Public schools received 58.8 per cent. |

This means that the rich people preferred the private schools for their own children, and supported them liberally, and were niggardly in the support of the public schools which were attended by the "masses." It was the great work of Horace Mann to change all that and it is now possible to say that, throughout the country, the public schools are certainly as good as the private schools, they are more numerous, are

increasing more rapidly, and are better supported than are the private schools.

One feature of the public schools which makes them more attractive than the private schools is that the public schools have much greater variety in their courses of study. The public schools, in many large cities at least, offer in day or evening classes almost everything that any man or woman, boy or girl could wish or need to study.

*The elementary school.* — We are all so familiar with the elementary school that there is little need of saying much about it here. One thing which we are likely to forget should be mentioned, however. The little people who go the the elementary schools of the United States differ greatly from each other. The poor and the rich, the children of the well educated and the children of the illiterate, those whose forefathers have been Americans for generations and those who came to the country but yesterday, all these enter freely the public elementary school and learn *together* something of what it means to be American citizens.

*The American high school.* — There is nothing like the modern American high school in any other country in the world. In other countries the high school, or secondary school, is intended principally to fit a few boys for college. This was the purpose of our own high school in earlier days, but now these institutions do not that alone but a great many other things beside.

Nearly all the boys and girls in the United States go to work before they have time to reach college. This is true even when the children are good students and where the college is a state college and is free to the

residents of the state. The high school, therefore, has sometimes been called "the people's college." This means that the high schools have given the student a broader outlook on life than could be gained from the studies in the elementary school. The studies given to provide this broad, general training are English literature, history, science, perhaps a foreign language or two, and mathematics, with a chance to study manual training, drawing, and music.

But within the last fifteen years a new kind of high school has been developed. To-day there are "vocational" high schools, and "vocational courses" in the regular high schools. These vocational courses are intended for boys and girls who do not wish to go to college or who cannot afford to do so. These courses are intended to help all these young people to get a start in life.

The vocational courses are as varied as the vocations themselves. It is possible to find high school courses in agriculture, farm engineering, dairying, animal husbandry, mining, forestry, commercial and office work, mechanical, electrical, and chemical engineering, drafting, art work, textile work, printing, and all the mechanical and building trades. These trades include machine-shop work, sheet metal work, forging, foundry work, pattern making, carpentry, bricklaying, concrete construction, plastering, and plumbing, and numerous courses of a similar nature for which high school work has been planned.

In some cities this industrial work is given in the public high school, while in others it is given in separate "trade" or "industrial" schools. In any case, how-

ever, society is saying to the young people, " Be trained and become efficient."

*The evening school.* — In general it may be said that almost every subject offered in the day schools may be studied also in evening classes, at least in the progressive cities of the country. In some places professional work in science, law, medicine, and teaching can be had in the evening schools; in more cities the usual elementary and high school subjects are offered; while in others special vocational courses are given in the evening for those who have to work during the day. Many young persons are receiving a good education by studying three or four evenings a week at the public evening schools.

*The continuation school.* — Many children leave the day school to go to work as soon as the law permits, which, in most states, is at about fourteen years of age. Of course, this is altogether too early for children to stop studying and so, in some places, the " day continuation schools " are provided. These schools are attended by working children between fourteen and sixteen for four to six hours a week. While this is hardly enough time, a great deal may be accomplished if it is spent wisely. One of the most complete continuation schools in the United States is that of Milwaukee, Wisconsin. Milwaukee tries to teach the boy how to get an education by studying about his work and by trying to do it better day by day. In doing this he learns something of the science, mathematics, business and history of his trade or occupation. In this school the boy may study one or more of the following:

| | | |
|---|---|---|
| Bakery | Electrical work | Plumbing |
| Bookkeeping | Machine-shop work | Power plant operating |
| Carpentry | Masonry | Sheet metal work |
| Cabinetmaking | Painting | Steam fitting |
| Concrete work | Pattern making | Stenography |
| Drafting | Printing | Tinsmithing |

**Other Means of Free Public Education.** — Besides conducting evening classes, the schools are being opened in the evening and the late afternoon for various public meetings. These are sometimes called "social centers," or "community centers." The purpose of these centers is to bring the people together for lectures, for the discussion of local questions, and for entertainment. The school buildings belong to all the people, and the public is beginning to make larger use of them in this way.

*Libraries.* — Another American institution of great educational value is the public library. In olden times, many centuries before this continent was discovered, collections of books had been made and libraries had been founded. The great libraries of Alexandria were the most celebrated of ancient times and are said to have contained over 500,000 volumes and "rolls." The Ptolemys of Egypt, by building up these libraries, attracted many scholars and men of science to Alexandria, thus adding to their own glory.

The early libraries, however, were only for the great and powerful, — the kings and the renowned scholars in the universities or in the church. Even in later times when books were used more commonly, libraries did not circulate their books. It was in America that the plan was first tried of trusting the reader to take

the book to his home to be read there in his leisure moments. This plan is now followed by all the public libraries in the country. It is easy to see how much more reading we are all likely to do under this plan than we would if obliged to do our reading in the library itself.

A visit to one of our large public libraries will show how wonderfully it is organized and what skillfully trained persons the librarians are. If one is hunting for some particular information, it is probable that somewhere in the library there is a book or report which contains just the information for which he is looking, let us say, for example, "How paint is made," or "How to set up a wireless telegraph outfit," or "Why Galileo thought that the world moved." But where or in what book can this information be found? That is where the wonderful organization of the library and the wisdom and training of the librarians are to be seen. The wide range of subjects covered in the books of a modern library is clearly shown by the classifications under which the books are arranged. Among the various subjects may be mentioned the following:

| | | | |
|---|---|---|---|
| Fiction | Travel | Civics | Engineering |
| Biography | Art | Politics | Mechanics |
| History | The drama | Science | Encyclopædias |

*Museums, art galleries, and exhibits.* — In most of the large cities, and in many of the smaller ones, society offers still another means of education. The people are given an opportunity of studying freely various collections of the interesting, instructive, and beautiful works of nature and of man.

GETTING AN EDUCATION IN THE NEW YORK PUBLIC LIBRARY.

Museums frequently contain specimens of animals, birds, fish, plants, and minerals from all parts of the world. They sometimes show collections of articles and models which make it easier for us to understand how people have lived, what kind of clothing they have worn, what their customs and manners have been, and what kinds of work they have done throughout the different periods of human history and in different parts of the world.

Art galleries have permanent exhibits of painting, sculpture, and the artistic handicrafts, such as work in bronze, the precious metals, and leather, the making of beautiful books, the weaving of tapestries and other textiles, and rich carvings in wood and ivory. In addition to these the galleries show, from time to time, loan collections of the works of modern painters and sculptors or possibly of a few celebrated pictures of the "old masters."

Several cities now maintain industrial exhibits. These include all kinds of articles manufactured in the locality and, in some instances, food products of the surrounding country.

Another type of industrial exhibit shows the stages in the manufacturing of different articles as, for example, shoes, machinery, or textiles. These exhibits sometimes include lantern slides and moving picture films showing the processes going on in the factory.

*Extension departments.* — All of the above institutions, libraries, museums, art galleries and permanent industrial exhibits, may have "extension departments." Through this department the institution may extend its good influence by arranging free public lec-

tures, by issuing bulletins of information, by putting some of its material "on wheels," that is, by sending it out for others to use for a certain limited time.

In some cities these extension departments coöperate with the schools by supplying the classes with museum material to illustrate their lessons in history, geography, geology, physics, physiology, botany, art, industrial training, and vocational guidance.

In some instances these institutions are supported, just as the schools are, from the public treasury. But frequently they represent a gift to the city by some wealthy citizen who takes this way of discharging his debt to society, — a debt which, to a certain extent, each member of a democracy owes to all his fellow members.

As a result of its schools and its other educational institutions, the modern American city is a place where everybody can get an education of some kind. Furthermore, the education of an individual need never stop, but may continue, and continue happily, throughout life. Because of the excellence and the variety of these institutions, society persuades a great many people to get a very good education, and it is probable that knowledge and opportunity are more widespread in the United States than in any other country in the world.

## SUGGESTED PROBLEMS

Look up the compulsory education laws of your state and the school regulations of your city or town.

Prepare a list of the educational opportunities offered by your state institutions, your local school system, and any government experiment stations about which you may know.

Learn what you can about the child labor laws in your state. The National Child Labor Committee, New York City, will perhaps be willing to help you in this study.

## QUESTIONS

1. What do you understand by the word "exploited"?
2. What is illiteracy?
3. What do you know about plantations?
4. Where are the great mining sections in the United States?
5. Where are the lumber regions?
6. What are the names of some of the large manufacturing cities?
7. What are some of the products manufactured in them?
8. What is meant by economic efficiency?
9. How should the state provide "poor relief"?
10. Have we a Federal child labor law?
11. Who pays the cost of public education?
12. Is this fair to the people who have no children?
13. What courses are offered in the high schools of your community?
14. What is a college preparatory course?
15. What is a vocational course?
16. Why should every one have some high school training?
17. What are the advantages and disadvantages of an evening school?
18. Are there any "social centers" in the public schools of your community? If so, what kinds of meetings are held in them?
19. What do you know about the public library in your city?
20. Have you a right to borrow its books? How do the books "circulate"?
21. How are the books classified in the catalogue?
22. What kinds of museums, art galleries, and exhibits are to be seen in your vicinity?
23. Have you visited any of them?
24. What did you see that was interesting?
25. What is a loan collection?

26. Do you think any of these collections help you to understand any part of your school work better? What part?

27. What is of greater importance to society than public education?

28. What is meant by the public treasury?

29. Do *you* owe anything to society?

# CHAPTER IX

## PROMOTION OF PUBLIC HEALTH THE CURE FOR DISEASE

I. An Ancient Enemy.
II. Health and Democracy.
III. Securing Health by Compulsion.
    1. Compulsory medical attendance.
    2. Compulsory segregation of disease.
    3. Prohibition of acts that endanger public health.
    4. Prohibition of the maintenance of unsanitary conditions.
IV. Securing Health by Persuasion through Health Departments.
    1. Vital statistics.
    2. Laboratories.
    3. Inspectors.
    4. Hospitals.
    5. Distribution of information.
    6. Coöperation with other departments.
    7. Smoke inspection.
V. State Regulations.
    1. Accident prevention.
    2. The Workmen's Compensation Law.
VI. National Health Measures.
VII. Individual Responsibility.

**An Ancient Enemy.** — Why does society wish all the people to be well and strong? Because, in a democracy, all adults should be self-supporting and, therefore, should be sound in body as well as in mind.

History shows that disease has always been one of society's most persistent enemies, and it also shows that the best way to fight disease is by means of public health measures.

Society has not always understood this fact and for many centuries disease was thought to be beyond the control of mankind. During these centuries great plagues or epidemics again and again swept away thousands upon thousands of human lives, yet little or no attempt was made to fight them. Many people thought, and taught others to believe, that these plagues were sent as punishment for wrongdoing. In any case society did not know how to stop them.

One of these plagues, known as the Black Death, carried off millions of people in the middle of the fourteenth century. It is said that China lost 13,000,000 from this plague, while 50,000 died from it in Paris, and 100,000 each in Venice and London.

In our own country, certain diseases were formerly deadly enemies. Yet to-day we have little fear of these diseases because men of science have studied their *causes* and have shown how to *prevent* the disease simply by removing the cause. In this fight with disease men have sometimes shown as much bravery as soldiers show on the battle field, and a great deal of wisdom and patience as well.

**Health and Democracy.** — In a country like ours, society has especially good reasons for promoting health

among its citizens. Men must be mentally and physically efficient in order to contribute the knowledge and skill which are necessary for the building and maintaining of self-government. A great deal of public money, therefore, is invested in the education and training of the individual. This money would be poorly invested if the individual should be prevented, by disease or ill health, from using his knowledge and skill throughout a reasonable number of years.

A democratic society must be reasonably contented. Society is sometimes spoken of as "the body politic." It is indeed a body, and, just as it is with our own bodies, if one part suffers the whole body is ill at ease. For this reason, one of the most important things that society can do for its own comfort and happiness is to promote sound health among all its members.

**Securing Health by Compulsion.** — How does society work to secure public health? It works both by *compulsion* and by *persuasion.*

*Compulsory medical attendance.* — Society has made many laws fixing the duty of individuals regarding disease. There is one which provides that a physician must be called in case of serious illness. If one member of a family should die without medical attendance of some kind, the head of the family would run some danger of being punished for neglect of duty.

*Compulsory segregation of disease.* — In case of contagious diseases the physician is required by law to report such cases to the public health authorities. In many places certain contagious diseases must be segregated. Most hospitals have so-called "contagious wards," generally in separate buildings, where such cases are treated.

*Prohibition of acts by the individual that endanger public health.* — Another type of health law is that which forbids the individual to do things which may spread disease. Such a law is that which prohibits spitting on the floors or stairways of theaters, concert halls, stations, street cars, and other public places. In some cities it is against the law to spit on the sidewalks. Another law of this kind prohibits the placing of common drinking cups and towels in public places.

*Prohibition of the maintenance of unsanitary conditions.* — Another type of health law prohibits anyone from maintaining unhealthful conditions in a building where a large number of people work together or meet for recreation. For example, the manager of a theater is required to have his theater properly ventilated and the owner of a store or factory must see that his employees have plenty of fresh air; that the work place is properly lighted and heated; that work periods are not too long; and that opportunity for necessary rest is given. Special precautions are required in factories where dangerous acids or lead products are made. Unless great care is taken by the employer in such industries some of the employees would be in danger of lead poisoning and other industrial diseases. All this regulation is intended to conserve the health of the people.

**Securing Health by Persuasion through Health Departments.** — Society cannot *compel* a man to be well or even to be careful of his health, though it may require him to be careful not to injure the health of others. Since this is the case society must *persuade* people to be conservative of health and it does so in

many ways. We can learn about these different ways most easily by studying the work of a typical public health department, together with its various bureaus, be it a department of the city, the state, or the nation.

Public health departments have more or less authority to compel obedience to health regulations. In some instances the commissioner of health, and such of his assistants as he may care to designate, are given full police power. The department must depend largely, however, upon the police and upon other branches of the executive department of the city or state to see that the health laws are obeyed. The department itself places great dependence upon persuasion. Let us take a typical city health department and consider a few of the things that it does to persuade the public to care for its health.

*Vital statistics.* — The health department keeps a record of the number of births each day, and also of the number of deaths together with the causes of the deaths. In the course of time this information helps society to know which diseases are its worst enemies and whether they are increasing or diminishing from year to year.

*Laboratories.* — A health department maintains laboratories where expert chemists are at work for the public at large; for the physicians of the city; for the other bureaus of the department; for the police department and the prosecuting attorney; and for other city departments such as the street department, the water department, and that of the business agent.

Anyone in the city has a right to take to the lab-

oratory to be examined, any foodstuffs that he has bought which he thinks may possibly be adulterated or poisoned.

Physicians may send "cultures" to the laboratory for analysis, and may receive from the laboratories vaccines, antitoxins, and serums for use with their patients.

Can you think of any work which the chemists might possibly do for the other departments?

*Inspectors.* — A health department also maintains a corps of inspectors. These inspectors may be detailed to examine the conditions under which food is handled in bakeries, hotel and restaurant kitchens, to inspect dairies, creameries, and packing houses, or to see that laundries and barber shops observe necessary health measures.

Inspection is made also of housing conditions. Especial attention is given to the matter of a supply of outside air for all sleeping rooms, and to the condition of the plumbing in tenement houses. The premises are examined to see that proper disposal is made of garbage and other refuse.

Other inspectors are assigned to medical service in examining individuals who have, or who are thought to have, some contagious disease, and who might carry the disease to others.

A branch of this service may be charged with maintaining "quarantine" regulations. These regulations provide for keeping a family shut off from general intercourse with others if there is a case of contagious disease in the family. At the seaports every incoming steamer is held at quarantine until the inspectors have

had an opportunity to examine the passengers to see that no contagious diseases are brought into the country from foreign ports.

In many cities there is a system of medical inspection of school children. This not only prevents the spread of diseases among the pupils, but it leads to the establishment of special schools for children whose health requires a treatment that cannot be given in the regular classroom. This is well illustrated by the open-air school.

*Hospitals.* — The health department maintains public hospitals and dispensaries, which give free medical and surgical treatment to all who need it. The patients most commonly treated are those with contagious diseases, those requiring surgical operations, and those suffering from accidents. Some cities have emergency hospitals with quick ambulance service by means of which such cases can be treated immediately.

The hospital bureau is charged also with the duty of inspecting private hospitals, " homes," dispensaries, and nurseries.

Patients in the public hospitals have the best of care. They have the services, not only of the resident doctors, but also of some of the best physicians and surgeons in the city who give a part of their time to this public work. While some people have a dislike for public hospitals because these institutions are free to those who cannot afford to pay for expensive private treatment, one of the most eminent doctors in the country has said that the poorest and the richest people have the best medical service. Perhaps the day will come when the public hospitals will be superior

to most private institutions, and will serve the majority of the people.

*Distribution of information.* — "Sanitary instruction is even more necessary than sanitary legislation." Thus says the health department of a large city. It is therefore one of the most important works of the department to educate the public by the distribution of information about how to keep well.

Lectures are given by health officers to clubs, societies, churches, and schools. Moving pictures are shown. Bulletins, leaflets, and circulars are distributed widely. Instructive articles on health are published in the newspapers and magazines. Cartoons, cards, and "healthgrams" are displayed in the street cars and other public places. Such information relates to the value of cleanliness, good personal habits, and other "health preservers." Clean water, clean food, clean air, clean houses and streets, clean clothing, clean bodies, and clean thoughts are shown to be possible and to be well worth while. The nature of these health cards is shown by the following:

TO LIVE WELL AND DIE WITHOUT FEAR

BREATHE DEEPLY

EAT TEMPERATELY — CHEW THOROUGHLY

DRINK (WATER) FREQUENTLY — CLEAN TEETH CAREFULLY

BATHE FREQUENTLY — ELIMINATE FREELY

LAUGH HEARTILY — SLEEP REGULARLY

WORK PLANFULLY — EXERCISE DAILY

SERVE WILLINGLY — SPEAK KINDLY

PLAY SOME — READ MUCH

THINK MORE

DARE TO BE YOURSELF CHEERFUL CONSCIENTIOUS BRAVE

PROMOTING PUBLIC HEALTH BY MEANS OF PUBLIC PLAYGROUNDS.

*Coöperation with other departments.* — There are certain health measures, not directly under the health department, but which are stimulated and helped by it. The health department is interested in, and promotes efficient street and alley cleaning; it encourages the proper collection and disposal of garbage; it coöperates with the authorities having charge of such public welfare measures as the recreation parks, public baths and bathing beaches, municipal lodging houses, and the suppression of the smoke nuisance.

*Smoke inspection.* — Let us take, for example, the matter of smoke inspection. The prevalence of smoke in a city is not only injurious to merchandise, but it is detrimental to public health. In cities where the nuisance is extreme it has been computed that smoke destroys more property than fire, but it is impossible to estimate the damage which it does to the health of the people. To suppress this nuisance is the duty of the smoke inspector and his assistants. By a visit to his office any citizen may learn many interesting and useful facts about the causes of excessive smoke; the means taken to prevent it; what city ordinances have been passed to regulate the nuisance; what improvement has been accomplished; and what citizens may do to help in the good work. In one manufacturing and commercial city the amount of unnecessary smoke was reduced 63 per cent in eight years. In this city the sources of dense smoke were found to be as follows:

| | |
|---|---|
| Miscellaneous power plants . . . . | 54 per cent |
| Locomotives . . . . . | 27 per cent |
| Central district . . . . . | 8 per cent |

| | |
|---|---|
| Flat buildings . . . . . | 5 per cent |
| Private residences . . . . . | 4 per cent |
| Boats . . . . . | 2 per cent |

The smoke inspector usually prepares official blanks on which to report cases where chimneys emit smoke in violation of the city ordinance. Any boy can do a real service to society by getting some of these blank forms and by using them to report cases of violation.

**State Regulations.** — The state has a health department also which coöperates with the city departments and regulates matters which concern the wider community. For example, the state food inspector has authority over the farmer who raises the cows, the dairyman who buys the milk, and the railroad which transports it, as well as over the milk dealer in the city who delivers the milk to his customers. It is clear that the city alone cannot protect itself against impure milk as well as it can with the help of the state inspectors.

*Accident prevention.* — It is a short step from the "conservation of health" to "protection from accident." Factory inspection laws and the Workmen's Compensation Law may be taken as illustrations of the way in which the state reaches out to protect the lives and health of its workers.

*The Workmen's Compensation Law.* — Until recently a workman who met with an accident while engaged in his work could not require his employer to compensate him for the injury without "going to law," or taking the case into court. Within a few years, however, several states have passed Workmen's Compensation Laws which make it unnecessary for

an injured workman to engage a lawyer, or, in fact, to take any legal action whatever.

The state fixes upon certain occupations in which, if the workman is injured, a uniform amount shall be paid by the employer promptly and without any dispute. In one state, for example, compensation is required as follows:

| Loss of Member | Percentage of Wage | Number of Weeks |
|---|---|---|
| Thumb | 50 | 60 |
| First finger | 50 | 35 |
| Second finger | 50 | 30 |
| Third finger | 50 | 20 |
| Fourth finger | 50 | 15 |
| First phalange (one half of finger loss) | | |
| Two phalanges (one finger loss) | | |
| Great toe | 50 | 30 |
| Any other toe | 50 | 10 |
| One hand | 50 | 150 |
| One arm | 50 | 200 |
| One foot | 50 | 125 |
| One leg | 50 | 175 |
| One eye | 50 | 100 |

This is a just law because it divides between the employer and the workman the losses which are liable to be met with in any industrial enterprise. Such losses come to the employer through fire or breakage or faulty material. This means loss of capital. The workman is liable to loss also, but his loss is more likely to be loss of life or limb. In case of accident he also suffers from loss of wages and is put to extra expense for medical attendance.

The employer has always figured on a certain percentage of loss on destroyed capital and has taken account of it in making up his estimates, but he has expected the workman to bear the full loss of accidents to his own person. By the Workmen's Compensation Law this accident loss is made a charge upon the industry, just the same as the capital loss from fire or breakage. The employer figures upon such possible loss in making up his estimates, and pays the rate to the workman in accordance with the law. Of course, if the workman prefers, he may sue his employer under the common law, but in this case he cannot enjoy the benefits of the compensation law.

**National Health Measures.** — The Federal Government does not maintain a separate department of health, but the various health measures are under the supervision of different departments. For example, the Division of Vital Statistics is a branch of the Census Bureau, while the Bureau of Chemistry administers the pure food law.

The Government maintains laboratories and regulates the sales of toxins and serums in interstate commerce. By virtue of the interstate commerce regulations, also, the Government can inspect foodstuffs, such as the products of the great packing houses, for example, and can prevent the transportation of any unsanitary food outside of the state in which it is produced. This means, practically, that food products "condemned" by the United States Inspectors cannot be sold at all.

The Government maintains the Public Health and Marine Hospital Service. This service was created in

1798 when Congress passed an act for the relief of sick and disabled soldiers and seamen who had fought in the Revolutionary War. It now maintains twenty-one marine hospitals and one hundred and forty-one relief stations, with one hundred and twenty-nine medical officers, including the Surgeon-General.

This service regulates the national quarantine stations and the medical inspection of immigrants. It administers medical treatment to the crews of the Revenue Cutter Service, the Mississippi River Commission, the Engineer Corps of the Army, and the keepers and crews of the United States Life Saving Service. The Public Health and Marine Hospital Service is under the direct supervision of the Department of the Treasury.

**Individual Responsibility.** — It can be seen that, while nation, state, and local community are all interested in public health, the local government has the most concern and exercises the greatest influence of the three. It can be reasoned from this that the family and the individual have even a greater interest than the city in both personal and public health.

To form some idea of the relative value of human life to the nation and to the individual we may glance at the following figures. They give a rough estimate which has been made of the value of human life as compared with other forms of wealth.

| | |
|---|---|
| Physical wealth . . . . . | $110,000,000,000 |
| Agricultural wealth . . . . . | 9,000,000,000 |
| Railroads . . . . . | 17,000,000,000 |
| Manufactures . . . . . | 15,000,000,000 |
| Value of life of total population . . . . | 250,000,000,000 |

If the population of the United States is about one hundred million, this places the value of each individual life, to the nation, at $2500.

It is clear from the foregoing, that, even though human life is worth so many millions of dollars to the nation, the life of each individual is worth much more than $2500 to him and to his family. In other words, the individual has the most vital interest in personal health and safety, and, therefore, he should feel a genuine responsibility for supporting and advancing all public health measures.

## SUGGESTED PROBLEMS

Name and tell the purpose of the most important health laws of your state.

Ascertain if these laws are well enforced. If they are not, state what the members of your class could do to improve the condition.

Bring to the class as many illustrations as possible of the kind of information distributed by the local health board of your community.

Consider the possibility of organizing your class to help in spreading this information more widely.

## QUESTIONS

1. What is the modern way of fighting disease?
2. Is it right to compel people to employ medical service?
3. What do you know about the law forbidding spitting in public halls and on the sidewalk? Is it enforced?
4. Why is fresh air necessary to health?
5. Why does the health department need the help of the police?
6. How many bureaus are there in the public health department of your city?
7. Can you tell about the work of any of the bureaus?

8. What work might the laboratories of the health department do for the police department?

9. What is a "culture"?

10. What is meant by "vital statistics"?

11. What do you know about the work of the sanitary inspectors of your city?

12. What is the ambulance corps of a hospital?

13. Why do private doctors give their services to the public in the public hospitals?

14. Why is cleanliness necessary to good health?

15. Does it promote good health to laugh and to speak kindly? Why?

16. Tell what you can about the coöperation of the health department with other departments.

17. Why is it necessary to have a state department of health?

18. Is there a workmen's compensation law in your state?

19. What is the purpose of a factory inspection law?

20. Do you think it would be a good thing to have a Federal Department of Health?

# CHAPTER X

## PROMOTION OF MORALITY THE CURE FOR CRIME

I. Dealing with the Wrong-doer.
   1. Restraint and punishment.
   2. Present methods of punishment.

II. Agencies for Enforcing the Law.
   1. The courts.
   2. Prisons.
   3. Police powers.

III. Reformation of the Wrong-doer.
   1. Modern reform schools.

IV. Prevention Instead of Cure.

V. Personal Responsibility.
   1. Duty to study social and economic conditions.
   2. Duty toward philanthropic organizations.

**Dealing with the Wrong-doer.** — In spite of all the wisdom, intelligence, kindliness, and virtue in the world there are still wrong-doers in most communities. There are those who do not *wish* to do right; there are those who do not *know how* to do right; and perhaps there are some who *cannot* do right. No argument is needed to show that wrong-doing is harmful to society and that crime is an enemy which must be fought constantly. It is necessary for society to carry

on this fight against crime for its own preservation. It is also the duty of society to do all it can to help the wrong-doer to become a law-abiding citizen.

Society attempts to accomplish these ends in three ways: by restraining those who would injure the property or the persons of their fellow citizens; by reforming offenders and showing them how to do good instead of evil; and by preventing crime simply by removing the temptation to do wrong.

*Restraint and punishment.* — Society has not learned perfectly how to cure crime or how to deal wisely with the criminal, but better methods are used now than ever before in the history of the world.

In early times the method employed by society in dealing with lawbreakers was to inflict punishment on those who thus offended against the common weal. It was thought that fear of punishment would restrain the offender from repeating his crime, and would also restrain others from attempting to do the same unlawful act. In this way, it was believed, society would be safe from harm.

It was felt, also, that the wrong-doer *deserved* punishment, and that society should act as judge and avenger. Punishments, therefore, were inflicted in a spirit of revenge, and were often severe and cruel.

Even in our own country, in early colonial days, several crimes were punishable by death, while mutilating the body, exposing in the stocks, and whipping at the public whipping post were not uncommon. But no matter how severe the punishment, society has never succeeded in curing crime by this method.

At the present time society still punishes the wrong-

doer, though the spirit of revenge is no longer one of the motives for doing so. While it seems as if punishment would never be successful in preventing crime, still it is believed to be necessary to continue this ancient method because the wrong-doer must be restrained for the good of society.

If society should fail to hold back from crime those who are inclined to steal or damage property or to do physical violence to its citizens, then individuals would find it necessary to protect themselves. It is always harmful to society when the individual is obliged to attend personally to the matter of protecting himself against crime.

In olden times this may have been necessary. In primitive days individuals were obliged to protect themselves against the attacks of wild animals or perhaps of even more ferocious savages. Still later people were frequently obliged to go armed against bandits and fierce robber bands who preferred to live by plunder instead of by honorable work. At times in our own country men commonly carried weapons.

In a civilized community, however, such a method of protection is wholly bad. In the first place the people in a democracy should have all their time and energy for useful activities, that is, for business; for the constructive trades; and for the arts and for learning. This is impossible where each must be on watch against possible enemies.

In the second place it is likely to bring about fighting and bloodshed if men carry weapons. In civilized communities this is not necessary and is generally forbidden by law. In the city of London, even the police-

men do not carry arms except in certain special cases, and on these occasions they are required to account for every shot which they may fire. Yet they are safer than the policemen in most American cities because even the criminals know that society stands behind "Bobby," and that society will certainly capture and punish anyone who harms its representative.

*Present methods of punishment.* — Therefore, to relieve the individual from the necessity of protecting himself, society still finds it necessary to punish criminals, that is, those who disobey the laws of the land. The punishments now employed by society are either (1) fine; (2) imprisonment for a term of months or years; (3) fine with imprisonment for a term of months or years; (4) imprisonment with hard labor; (5) imprisonment for life; (6) death. The death penalty is no longer imposed in some states even for murder, though it is retained in others.

**Agencies for Enforcing the Law.** — The agencies for enforcing the law against wrong-doing are the court, the prison, the police force, the state militia, and the army and navy. While the army and navy are rarely used for our protection, except from enemies from without, they are always available for the suppression of violent mobs which may become too great for the state militia to control. They can also be used to safeguard Federal property of any kind.

*The courts.* — It is not necessary for us to learn about all the different kinds of courts, but it is well to know, in a general way, what courts are for and how they came to exist.

There are several kinds of courts, each one for the

trial of a particular type or class of cases. The cases brought before the courts are not all "criminal" cases, nor do they all involve wrong-doing. The courts may be called upon to decide points of law or to settle questions of "equity," as well as to try people who have been accused of breaking the law. The names of some of the courts will illustrate points of difference in their purpose and their "jurisdiction." There are, among others, the juvenile court, the court of domestic relations, the probate court, the court of equity, the municipal court, the county court, the superior court and the supreme court.

The courts may be either local, state, or Federal, and they may try cases involving the violation of a city ordinance, state statute, or United States law. The local courts, however, are under the jurisdiction of the state.

A court is presided over by a judge or a justice, whose duty it is to know the law thoroughly and to see that justice is done to all coming before him. He must treat with equal fairness both parties to a dispute, and dispense justice to the criminal as well as to the criminal's victim.

In the early days of England the king himself was judge over all men and all matters in his kingdom. Later the king appointed representatives to "sit on the King's Bench" and to judge in his stead. There were appointed also "justices of the peace" to take care of local questions of a judicial nature.

In our own country all judges represent the government. Some judges are appointed by the legislative or the executive branches of the government, while others are elected by the people.

COURT OF QUEEN'S BENCH, 1874.

JUVENILE COURT.

All cases coming before a judge are to be settled by him in accordance with the law covering the case, and without fear or favor. The judge also pronounces the sentence, that is, he decides on the kind and amount of punishment to be given to the lawbreaker.

More and more often, certain of our courts seek to give kindly advice and help to the wrong-doer rather than to exercise judicial authority, and to mete out punishment. This is especially true of the juvenile court where, frequently, the "trial" is little more than a family council with the judge acting as adviser and friend. The illustration opposite shows such a scene and, for contrast, a picture of the extremely formal "Court of Queen's Bench," Westminster Hall, as it looked during a trial in 1874.

*Prisons.* — Like the courts, prisons may be either local, state, or Federal. The local institutions are the police stations and the county jails. As a rule, these are merely places where people can be detained after arrest and while awaiting trial.

State prisons, reformatories, and penitentiaries are for those who, having been convicted of crime, are sentenced by the judge to a term of imprisonment.

Federal prisons are for those who have violated some law of the United States. Counterfeiting, robbing the mails, and operating illicit stills are illustrations of crimes against the national Government.

*Police powers.* — The police protect the individual against assault, robbery, and other violence. By their presence they restrain lawless men from attempting to commit crime, or, if a crime is actually committed, they arrest the criminal, procure evidence against

him, and act as witness at his trial in the police court.

Of course, the police do other kinds of useful service. For example, they regulate traffic in the busy streets, preserve order, if necessary, whenever large crowds are brought together by a parade or public celebration, assist the fire department in caring for people and property in case of fire, and coöperate with the health department in enforcing safety regulations.

In case of threatened danger from a large mob, the Governor of a state may offer the services of the state militia to help the police in maintaining order. In cases where the danger becomes extremely grave, the president may offer the help of troops of the United States army.

Thus in our country, under usual conditions, the individual citizen is well protected. If he attends strictly to his own affairs he can give his whole attention to the performance of his particular duty, whatever it may be, with a feeling of confidence and safety.

**Reformation of the Wrong-doer.** — Thus far we have seen how society protects the individual citizen by restraining and punishing the wrong-doers. In arresting and punishing the criminal, however, society has another purpose, namely the reformation of the criminal. Society does not confine the prisoner merely to punish him, or to put him where he cannot make trouble. It keeps him under prison discipline because it hopes to develop the good qualities that are in him and to make him, eventually, into a self-respecting and useful citizen. In other words, it hopes to "reform" him.

*Modern reform schools.* — To bring about this result, the jail, with its bars and bolts, its dark corridors and narrow cells, is being replaced by the "detention home," especially for young offenders. The penitentiary, with its high walls, its armed guards, its provisions for hard, monotonous labor, is giving way to the reform school.

The reform school provides conditions which tend to produce healthy bodies, trained minds, and regular habits. There are clean, if small, sleeping quarters, clean and wholesome food, workshops where many different trades may be learned, a gymnasium, a farm, a dairy, and a good school where the usual school subjects may be studied. In some reform schools, especially those for young offenders, there are no walls around the grounds. In others the honor system prevails and the prisoners are sent outside the walls to work "in the sun." As soon as possible a reformed prisoner is paroled to some employer or friend. In these and in many other ways the prison authorities try to treat the offender like an ordinary member of society who needs some special education.

**Prevention Instead of Cure.** — Society, however, is not satisfied with restraint and punishment, or even with reformation. It sets itself the task of preventing crime by removing the causes which have led people to do wrong. These causes are frequently the unhappy and unfortunate conditions under which some people have to live and which society itself has created.

In the legends of Old England, we read of Robin Hood and his band of outlaws. These men were not bad at heart but they had grown up under a system

which made it difficult for some people to earn an honest living, while others had more than enough for their needs and were, besides, cruel and hard in their dealings with the poor. In the opinion of some, it did not seem altogether wrong to take by force some of the surplus wealth of the rich and distribute it among the poor.

Of course, Robin Hood's way is not the right way to equalize the distribution of wealth, but the stories of this merry outlaw and of his many kindly acts may help us to see that there is a great need of removing conditions which cause the wrong-doer to offend against society. They help us to see that there may be some connection in our own country to-day between wrong-doing and facts like the following:

Approximately 2 per cent of the people own 60 per cent of the wealth.

Approximately 33 per cent of the people own 35 per cent of the wealth.

Approximately 65 per cent of the people own 5 per cent of the wealth.

The Robin Hood stories may help us to see also that there is generally more good than bad even in law-breakers. If the laws and customs of his day had been just, Robin Hood might not have been an outlaw.

**Personal Responsibility.** — Crime is never right, no matter how great the provocation may be. Society must teach this fact and thus prevent men from starting on the wrong road. Also it must teach us how to remove wrong conditions in the right way. It is this kind of education that prevents crime.

*Duty to study social and economic conditions.* — In the first place, there should be education regarding the conditions which surround all our fellow citizens in their work and in their leisure. We should all know how hard the lot of some men really is; how long the working day; how little opportunity for real rest and enjoyment; how small the family budget, and how difficult it is to change or improve these conditions. Such facts as the following are illustrative:

$\frac{9}{10}$ of the men in the United States have incomes of $1000 a year or less.

$\frac{4}{5}$ of the men in the United States have incomes of $750 a year or less.

$\frac{1}{2}$ of the men in the United States have incomes of $500 a year or less.

Just as if all these people were our brothers, we should know and care about everything that affects their well-being. The things about which we have been studying will help us somewhat to understand these conditions, but we should always remember that there is much more to learn and we should be eager, as individuals, to learn it. It is the most important knowledge we can have.

In the second place, we should all be well aware of our duties to each other. As citizens it is our duty to try to secure good laws and to see that they are enforced. It is our duty to help in the election of the right men to public offices and to support them in their work after they have been elected. Especially it is our duty to set a good example, in all these matters, to those younger or less able to understand than we are ourselves.

In the third place, we should all be well informed as to our rights. Society, in the past, has enacted laws for the protection of our lives, our liberties, and our happiness. We must maintain these rights, not only for our own benefit, but because society is the better and stronger when made up of self-respecting citizens. We cannot be self-respecting when we surrender our rights weakly to those who try to override and exploit us.

In the fourth place, we should be well informed as to the methods by which a democratic government maintains the rights, and improves the conditions of its members. Our political relations, that is our relations as voters, are the means by which society can most surely, safely, and permanently be improved, provided all exercise their political rights intelligently and fearlessly.

*Duty toward philanthropic organizations.* — Not only must we be willing to do our full duty politically, but we must be ready to fulfill other duties to society as it is organized to-day.

Perhaps the day may come when private help will no longer be needed by society, but to-day charitable and philanthropic work must be done and must be supported by the generous contributions of private individuals. Such organizations as the United Charities, the Children's Aid Society, the National Child Labor Committee, the American Association for Labor Legislation, and the Consumers' League are illustrations of the many different lines of activity which receive large sums of private money to be used for the common good. The churches and other religious and semi-religious institu-

tions, such, for example, as the Young Men's Christian Association, also serve society to an extent almost beyond measure. All citizens should take some part in supporting organizations of this kind.

It may be said truly that the opportunities to-day for living a moral life, a life free from wrongs against society, are far greater than ever before in the history of mankind. This is partly because the conditions are such that the temptations to do wrong are fewer and less powerful than formerly. Nevertheless, much remains to be done to strengthen the weak, to cheer the unhappy, to enlighten the ignorant, and to make lighter the burdens of the poor and the unfortunate. When all this is done our nation will become, what our forefathers wished it to be, a land of equal rights and equal opportunities. Surely where there is so much to do, each one must be willing and happy to do his part.

## SUGGESTED PROBLEMS

If you live in or near a county seat, learn what you can about the functions of the county court.

If your home is in a large city, find out what methods are used for dealing with the juvenile delinquent. If there is no juvenile court in your city, learn what you can about these courts in other places.

Make a list of the charitable and philanthropic organizations in your community, and describe the work of one of them.

Distinguish between private and public charities.

State what your school system is doing, or what it might do, to prevent juvenile delinquency. State how, as an individual, you could help in solving this problem.

## QUESTIONS

1. What are some of the reasons why punishment does not cure crime?
2. Do you believe in "capital punishment"? Why?
3. Why is it undesirable for citizens to carry weapons?
4. Was it ever necessary? Why?
5. Why should it be unnecessary to-day?
6. What kinds of cases, besides criminal cases, are brought before the courts?
7. Can you think of any cases which would be tried in a "federal court"? a "police court"? a "superior court"? a "supreme court"?
8. Why are reform schools needed?
9. Can you suggest any ways in which crime may be "prevented"?
10. What do you know about the National Child Labor Committee?
11. Do you know any child-helping societies?

# CHAPTER XI

## A FEW FACTS OF POLITICAL SCIENCE

I. Political Science.
II. Constitutional Rights.
III. How Society Governs Itself.
  1. Self-government.
  2. Representative government.
  3. Federal government.
  4. State government.
  5. Local government.
IV. The Branches of Government.
  1. The legislative department.
  2. The judicial department.
  3. The executive department.
V. An Important Function of Government.
  1. Direct taxes.
  2. Indirect taxes.
  3. Federal taxes.
  4. State and local taxes.
VI. An Important Feature of Federal Import Customs.
  1. Business and politics.
  2. A protective tariff.
VII. The Complexity of Social Science.

**Political Science.** — As we have learned, the study of the principles of government is called political science.

It is a subject so complicated and so vast that it requires far more time for its complete understanding than can be given to it here. But, since it is one of the most important of the social sciences, it cannot be omitted altogether. A few facts will be given, therefore, with but little discussion, many of them so simple that they are known to almost every schoolboy, while others are exceedingly complex. Especial attention should be given to the relations existing between political powers and economic conditions. These relations are most important in this elementary study of the social sciences. Perhaps you will learn, later in life, that one of the best evidences of civilization is good government, and that self-government is one of the highest attainments of humanity.

No problems are suggested and no questions are asked at the close of this chapter. If there is time for additional work, the local community will readily suggest both problems and questions. It will be interesting to make a list of the political offices held by people who live in the community; to ascertain in what way, and how well you are represented; and to discuss your own duties, as future voters, to yourselves and to society.

**Constitutional Rights.** — The United States has a Constitution, a written document adopted when the nation was formed by the union of the original states. This Constitution establishes certain rights to all American citizens. It also establishes certain rights and powers to the separate states.

Similarly each state has a constitution which was adopted when the state was formed and admitted to

the Union. The state constitution cannot annul any of the rights given to the individual citizen by the Constitution of the United States, but it can grant other rights not inconsistent with these constitutional rights.

The constitution represents the highest law of the nation or of the state, and no other law can be passed and enforced legally if it curtails or infringes on the rights given by the constitutional law. Before this may be done, the constitution must be amended.

Among the most important rights assured by the constitutions, Federal and state, are, first, the right of self-government, and, second, the right to acquire and hold property. Without the first of these rights, men would become little better than slaves, for the lawmakers could make laws that would rob them of the fruits of their labor. The right to acquire and hold property, or the right of private property, as it is called, is the foundation of political civilization. Without such right, no one would care to improve a farm, or build a house or factory. If a man got any wealth, he would be inclined to put it into gold or diamonds or other precious materials that could be hidden easily or moved quickly. The right of private property has built great cities and great industries, and has made community life safe and stable. The two rights, taken together, give each one an opportunity to help in making the conditions under which he does his work, and also give him a better chance to get the full return for his labor.

**How Society Governs Itself.**—It has been shown how society controls or regulates the activities of its individual members for the good of all. It is necessary also for society to lay down rules by which it may regu-

late or govern itself. We say that the United States enjoys self-government or representative government. To realize what this means, it is necessary to look back to the times when the king and his favorites had absolute power over the mass of the people. The lands, the labor, and even the lives of the common people could be seized by the despotic ruling classes, and the people could do nothing but submit.

*Self-government.* — In the early days of the New England colonies, the principles of self-government were established in this country. While the government of the colonies was in the hands of those who were subjects of the king of England, the *towns* set up a local government that was extremely democratic for that time. The male citizens came together in "town meeting" and conducted all necessary business of the local government. Any man might discuss the questions that came before the meeting, and his vote was equal to that of any other citizen, great or small.

*Representative government.* — As the towns grew larger and cities were developed, a new method of local government was put into practice. This method consisted of electing a few men to "represent" the voters in all matters of city government. The authority of the individual ended when he cast his vote for his "representative."

Later on, when the colonies became independent of England, representative government was established throughout the land. In accordance with this principle, the United States, as a nation, was to be governed by representatives of all the different states in the Union; each state was to be governed by representatives of

all the different sections or districts of the state; and each city or town was to be governed by representatives of the citizens. Thus we have to-day, local government, state government, and United States or Federal government.

*Federal government.* — The government of the United States is in the hands of the president and his cabinet, which he appoints, and the Congress. Congress consists of two "houses," the Senate and the House of Representatives. Each state sends two senators, chosen at large, and representatives, varying in number according to the population, chosen by districts. The senators are supposed to represent the state as a whole. They were formerly elected by the state legislatures, but a recent amendment to the Constitution of the United States provides that they be elected directly by the people. The representatives are supposed to be "closer to the people" and to represent them more nearly as individuals.

*State government.* — Each state is governed by its governor and its legislature. The state legislature, like the Federal Congress, is composed of two houses called the senate and the house of representatives. They are sometimes spoken of as the upper and the lower houses, thus intimating that the lower house is nearer to the people and more sensitive to their wishes.

*Local government.* — Cities are governed in several ways but usually the government consists of a mayor and a council. In some cases there are two houses in the city government just as in the state and national governments. The upper house is sometimes called the board of aldermen, and the lower house the

common council. The theory of the two-house plan is that one house acts as a check upon the other. In modern times this check has often become a real obstruction to the business of running the city, and the commission form of government is slowly gaining favor with thoughtful citizens.

The plan of the commission form of city government is simply to put the business of running the city on a business basis. A single-headed, responsible commission, freed from the obstruction of "party politics," is given all necessary authority to carry on the work of the many departments of the city. The commission works in much the same way as the directors of a large business corporation. Business corporations are not likely to be run on a "two-house" or "divided-responsibility" plan.

**The Branches of Government.** — As stated before, there are three units of government, the local government, the state government, and the Federal government. Each of these three units has three main branches or departments, the legislative department, the judicial department, and the executive department.

*The legislative department.* — The work of the legislative department of a government, whether local, state, or national, is to make the laws or, in other words, to lay down the rules which society as a whole, or the individual as a member of society, must follow. These laws may relate to every kind of activity, from the running of the public business to the private conduct of the individual citizen. The laws must be made, as stated before, with due regard to the constitutional

rights of the individual as well as to the constitutional rights of the separate states.

*The judicial department.* — It is the duty of the judicial department of a government to determine whether the laws passed by the legislative body are constitutional; to interpret the laws if they are misunderstood, or if there is disagreement as to what they require the citizen or the state to do; to decide whether or not individuals or corporations have violated the laws; and to fix the penalty where such violation is proven.

*The executive department.* — In general, the executive branch of the government sees that the laws are enforced. As we have seen, these laws relate to every activity of government, and therefore, in carrying out the laws, the executive department actually conducts the business of the city, the state, or the nation. It must do so, however, in accordance with established regulations.

**An Important Function of Government.** — As we have seen, government means the making and enforcing of regulations. One of these functions may be seen in active operation in the halls of Congress, the state capitol buildings, and the city council chambers. It involves the making of speeches, the passing of acts, the appointment of ambassadors and commissions, and the securing of treaties with foreign governments.

The chief function of the government, however, is merely to carry on the *business* of the nation, state, or city. In the first place we can see that an immense amount of money is needed just to pay the salaries of the officers and employees of the Federal, state, and local

governments. A few of the people who must be paid are, the president, vice president, congressmen, and cabinet officers; the governors, lieutenant governors and members of the state legislatures; the mayors and councilmen; the officers and men of the army and navy; the postmasters, mail clerks, and mail carriers; the revenue officers and customs inspectors; the judges of the supreme, superior, circuit, and local courts; the election officers and inspectors; the policemen, firemen, and teachers; and the workers in the health department.

In addition, there must be provided supplies, equipment, and buildings for all of the departments represented above. There are the government buildings at Washington, the state houses, the army and navy schools, the barracks, the battleships, the forts and arsenals, the post offices and postal cars, the revenue cutters and the customs houses, the court houses, prisons, and police stations, fire engine houses, schoolhouses, and hospitals.

To *spend* all this money wisely requires careful organization and honest efficiency. To *raise* the money requires even greater care, for the right thing is to raise it in such a way that each member of society will pay his fair share. We all benefit by every government activity and we should all be willing and anxious to pay our just proportion of the cost of government.

How is all this money raised by the Federal, state, and local governments? It is raised largely by "taxation," though some income is received in other ways as, for example, from public lands, and from fines imposed by the courts.

*Direct taxes.* — A direct tax is one so levied that the money is paid by the individual directly to the government. For certain direct taxes a " rate " is fixed and the individual is " assessed " in accordance with this rate. Such a tax may be levied on his real estate, his personal property, his income or on certain of his business transactions as, for example, the imposing of a tax on the transfer of real estate.

*Indirect taxes.* — An indirect tax is one which the government collects from the importer or manufacturer of merchandise with the knowledge that the importer or manufacturer will fix the price of the merchandise so as to cover the expense of the tax to himself. The consumer of the merchandise is the one who really pays the tax, but he pays it " indirectly." Examples of such indirect taxes are customs duties and excise duties.

*Federal taxes.* — The Federal Government raises most of its income by indirect taxes called customs duties and excise duties. Customs duties are taxes on foreign goods imported by merchants in this country from manufacturers or dealers abroad. The tax is paid by the importer, the amount of the tax is added to the price of the goods, and the public pays the tax when it finally purchases the goods for use. The customs duties are of great importance in other ways as we shall see later.

Excise duties are taxes levied on certain kinds of goods manufactured and consumed in the United States. The Government imposes such a duty on liquors and tobacco. The manufacturer pays the tax and adds the cost to the price at which he sells the goods. Of course the tax is really paid by the people who use liquor and tobacco. This is another indirect tax.

The Government now imposes a direct tax on all incomes over a certain amount. The rate is higher for a large income than for a smaller one, the purpose being to secure a larger revenue from those who are the best able to pay it.

When the Government has found it necessary to do so, it has occasionally levied direct taxes in one of the following ways. A tax is levied on each bank check drawn, or a tax is levied on every mortgage note, or on every receipted bill. In such cases the money is paid for stamps issued by the Government, quite like postage stamps, and these stamps are placed on the check, mortgage note, or bill, and are canceled so that they cannot be used again.

*State and local taxes.* — Unlike the Federal taxes, the state and local taxes are generally direct, and a large part of such taxes is raised on real estate and personal property, falling on all in proportion to their wealth. A few states have income and inheritance taxes.

The most noticeable thing about these state and local taxes in the United States is that there is the greatest variety among the several states, no two having the same system. On the other hand, the plan works out in such a way that the taxes are practically self-imposed. In other words, the people vote year by year to tax themselves in that particular way, and for that particular amount, in order to raise money to run the state government and all the various departments of the cities and towns within the state. If the people want to run their city on a smaller amount they can do so by electing representatives who will reduce taxes. On the whole, while local and state taxes are unequally and

unscientifically regulated, the people are not oppressed by them and have little cause to complain, because they have the remedy in their hands.

**An Important Feature of Federal Import Customs.** — There is one feature of the taxation of imported goods which should be examined still further. That feature is the effect which the "tariff" has on the price of merchandise in the United States.

When an import tax, or tariff, as it is called, is placed on some commodity manufactured in a foreign country, the United States Government secures a "revenue" or income therefrom. At the same time the placing of this tariff on the commodity makes it necessary for the merchant to charge the American public a higher price for the commodity. If similar goods are manufactured in the United States, the manufacturers can charge a higher price for such goods than they could get if the foreign goods were "admitted free."

*Business and politics.* — It will thus be seen that the "tariff" system confuses in a most complicated way two entirely different things. One is the securing of an income by the Government for necessary running expenses. The other is the influencing of trade and the increasing of the prices of commodities which the American public must buy. The first is clearly right and just. The second, while as clearly within constitutional rights, is extremely complicated and frequently open to grave question.

*A protective tariff.* — Sometimes the tariff is so high that it enables the American manufacturer to charge for his goods double the prices for which he could make and market them if he was obliged by competition to do

so. This means that he makes a larger profit. It also means that he can afford to pay better wages to the American workmen when his industry is thus "protected" from foreign competition. When Congress is "revising" the tariff, as it does from time to time, the wealthy manufacturers are always actively interested and sometimes use their influence to keep the tariff high. In this way the tariff *may* be so fixed as to be of great advantage to some, especially to the wealthy manufacturers, and to work hardship to others, generally the poorer people of the country, who are forced to pay high prices for their goods.

Because of this fact, some people believe that the tariff should be "for revenue only." This is a great problem and one which will be unsolved for many years to come. Centuries before our country was settled, the English kings discovered how the customs duties could be used to their own advantage and to the advantage of their favorites. If one enjoys the stories of combat and struggle, there are few more interesting than the accounts of trade wars.

**The Complexity of Social Science.** — This is another illustration of the fact, seen in much that has gone before, that society is most complex, and, therefore, that social science cannot be a simple matter. Society means "all of us," and all of us in all our relations to each other and to the community. It is plain that the interests of some members of society will conflict occasionally with others, and that distrust and misunderstandings will sometimes arise. The fact which such a study as this should bring out most clearly is that men and women are needed who can understand the situ-

ation, and who are willing to work for better economic conditions, for higher social ideals, and for more representative political methods.

The boys and girls of to-day will be the men and women to-morrow, and they should be glad to learn just what their problems are to be. To-morrow will need men and women with ideas as to how the world is to be made better and happier. It will need those who know and believe in their rights, but who can see quite as plainly the rights of others, and who appreciate most of all their duty to the society of which they are members.

More than ever it will need men and women of ability who have the training as well as the desire to work for society, and this training cannot begin too early. Children, therefore, should see that they are *already* members of society, and that their school duties are only the beginning of their later and larger civic duties as men and women.

# INDEX


A

Absentee landlordism, 19.
Accident prevention, 106.
Agricultural education, 56.
Aldermen, 129.
American Association for Labor Legislation, 122.
Art galleries, 92.

B

Banks, 32, 43.
  directors of, 43.
Black Death, 98.
Business:
  and politics, 135.
  modern, 52.

C

Capital, 9, 31, 35, 40.
  railroad, 64.
  regulation of, 37.
  representatives of, 42.
Capitalist, 33, 35.
Child labor laws, 84.
Children's Aid Society, 122.
Combination, 46, 47, 49.
Commission form of government, 130.
Common carrier, 65.
Common council, 130.
Community centers, 91.
Community wants, 6.
Competition, 49.
Congress of the United States, 49, 129.
Constitution of the United States, 126.
Constitutional rights, 126.
Consumers' League, 122.
Coöperation, 49.
Corporations, 23, 26, 46, 75.
Courts, 115.
Credit, 36, 44.
Crime:
  prevention of, 119.
  responsibility for, 120.
Customs, 76.
  Federal import, 135.

D

Deeds, 13.
Department store, 67.
  employees of, 68.
Directors:
  bank, 43, 44.
  board of, 46, 59.
Disease, 98.
  prevention of, 100.
  segregation of, 99.
Distribution, 53.
Dividends, 45.
  railroad, 64, 66.

E

Earning a living, 21, 83.
Earning power, 27.
Economic conditions, knowledge of, 121.
Economic efficiency, 83.
Economic ideal, 10.
Economic wants, 8.
Economics, 52, 73.
Education:
  agricultural, 56.
  compulsory, 84.
  universal, 81.
Employees, 23, 25.
  department store, 68.
  factory, 59, 60.

Employer, 22, 23, 25.
Excise duties, 133.
Executive department, 131.
Exhibits, 92.
Extension department, 93.

F

Factory, 57.
  buildings, 58.
  employees, 59, 60.
  labor, 60.
Farm:
  labor, 55.
  modern, 54.
Farming, 18, 54.
  extensive, 54.
  intensive, 56.
  tenant, 18.
Federal Farm Loan Law, 33, 37.
Federal import customs, 135.
Fishing, 19.
Forestry, 19.
Freight rates, discrimination in, 48.

G

Government:
  business of, 131.
  by society, 127.
  city, 129.
  commission form of, 130.
  departments of, 130.
  early New England, 128.
  Federal, 129.
  local, 129.
  representative, 128.
  self, 128.
  state, 129.
Grazing, 19.

H

Health, 98.
  by compulsion, 99.
  public, 100.
Health departments, 100.
  coöperation of, 105, 106.
  distribution of information by, 104.
  inspectors, 102.
  laboratories, 101, 108.
Health measures:
  national, 108.
  state, 106.
Historical science, 74.
Hospitals, 103.
House of Representatives, 129.
Human life, relative value of, 109.

I

Incomes, 121.
Individual, the, 76, 78.
Individual wants, 5.
Institutions, 5, 6, 76.
Interest, 43.
Interstate Commerce Commission, 65.
Interstate regulation of railroads, 65.
Investment, 36.

J

Judicial department, 131.

L

Labor, 9, 20, 23, 35, 40.
  factory, 58.
  farm, 55, 56.
  free, 24.
  representatives of, 41.
  rewards of, 27.
  satisfaction in, 29.
  slave, 24.
Land, 9, 12, 40.
  cultivation of, 18.
  free, 14.
  lease of, 17.
  private ownership of, 12, 14, 16.
  public, 6.
  rental of, 17.
  sale of, 16.
  use of in primitive times, 22.
  valuation of, 18.
Laws, 76.
  agencies for enforcing, 115.
  child labor, 84.
Legislative department, 130.
Leisure, 28.
Libraries, 91.
Literacy, 82.

M

Management, 9, 40, 41.
Mann, Horace, 87.
Market opportunities, 46.
Massachusetts Bay Company, 14.
Mayor, 129.
Medical attendance, 99.
Medical inspection of school children, 103.
Medium of exchange, 4.
Mining, 19.
Money, 33.
  control of, 42.
  price of, 44.
Museums, 92.

N

National Child Labor Committee, 122.
New York State Factory Investigating Commission, 70.

O

Old age, safety in, 28.

P

Parks, 6.
Philanthropy, 122.
Playgrounds, 6.
Plymouth Company, 13.
Police powers, 117.
Political science, 74, 125.
Poverty, 8, 16.
  in old age, 28.
Prisons, 117.
Production, 53.
  agencies of, 9, 19.
  large scale, 27.
Property, 9.
  movable, 9.
  private, 127.
  real estate, 9.
Public health, 100.
Public Health and Marine Hospital Service, U. S., 108.
Public land, 6.
Public opinion, 77.
Public schools, 77.
  support of, 85.
Punishment, methods of, 115.

Q

Quarantine regulations, 102.

R

Railroads, 59, 62.
  financing the, 62.
  ownership of, 66.
Reformation, 118.
Reform schools, 119.
Revenue, 135, 136.
Rights:
  constitutional, 126.
  of private property, 127.
  of self-government, 127.
  personal, 122.
  political, 122.
Robin Hood, 119.

S

Salaries, 60, 69.
Sanitation, 100.
Savings, 36.
  small, 46.
School attendance, 84.
Schools:
  continuation, 90.
  elementary, 88.
  evening, 90.
  high, 88.
  public and private, 87.
  reform, 119.
  studies, 88, 89.
  support of, 85.
  vocational, 89.
Science:
  historical, 74.
  of economics, 53, 72.
  political, 74, 125.
  social, 73.
Self-government, 126.
Senate, the United States, 129.
Shipper, 48.
Smoke inspection, 105.
Social centers, 91.
Social control, 74.
  methods of, 79.

Social science, 73.
Society, 127.
Sociology, 73.
Special privileges, 46, 48.
Stock companies, 44, 46, 59.
Stockholders, 45, 59.
Stocks, 45, 64.

T

Tariff, 135.
  for revenue, 136.
  protective, 135.
Taxes, 132.
  direct, 133.
  Federal, 133.
  import, 135.
  income, 134.
  indirect, 133.
  local, 134.
  state, 134.
Tenant farmers, 18.
Title to land, 13.
Torrens System, 14.
Town meeting, 128.

U

Unemployment, 27.
United Charities, 122.

V

Vital statistics, 101.
Vocational schools and courses, 89.

W

Wages, 23, 60, 69.
  starvation, 27.
Wants, 3, 4.
  community, 6.
  economic, 8.
  individual, 5.
Wealth, 8, 16.
  distribution of, 38, 120.
Western Electric Company, 58, 59.
Work:
  for an employer, 22.
  opportunity for, 27.
  satisfaction in, 29.
  skill in, 27, 58.
Working for one's self, 22.
Workmen's Compensation Law, 106.

Y

Young Men's Christian Association 123.

AUG 1 1918

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